

Joint Powers Commission



Regular Meeting- March 26, 2026

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Sierra Vista Hospital
 Joint Powers Commission Agenda
 March 26, 2026 @ 2:00

Purpose: Regular Meeting

Location: Sierra Vista Hospital - Plant Operations meeting room

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 T or C

Rolf Hechler, Member
 Ingo Hoepfner, Member
 Gary Whitehead, City Manager, Ex-O

Sierra County

Jim Paxon, Chairperson
 Sandy Jones, Member
 Amber Vaughn, County Manager, Ex-O

Village of Williamsburg

Deb Stubblefield, Member
 Amanda Cardona, VCW, Ex-O

AGENDA ITEMS	PRESENTER	ACTION REQUIRED
4. Approval of Agenda	Jim Paxon, Chairperson	Action
5. Approval of Minutes	Jim Paxon, Chairperson	
A. January 23, 2026 Special Meeting Minutes		Action
B. December 3, 2025 Regular/ Annual Minutes		Action
6. Public Comment – Limit 3 minutes		
7. Old Business	Jim Paxon, Chairperson	Report/Action
A. Public Record Act and Resolution 25-107		
B. Policy 6, item D update		
8. New Business	Jim Paxon, Chairperson	
A. October - February Finance Report	Ming Huang, CFO	Action
B. FY26 Budget Revision	Ming Huang, CFO	Report

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C. CEO Report	Shauna Cameron, CEO	Report
D. Governing Board Report	Serina Bartoo, Chair	Report
E. Elephant Butte Payment Plan	Jim Paxon, Chair	Action

9. Other

Next meeting – June 18, 2026 at 2:00

10. Adjournment

Action

Sierra Vista Hospital
Special Joint Powers Commission Minutes
January 23, 2026 @ 1:00pm

1. The Joint Powers Commission of Sierra Vista Hospital held a special meeting on January 23, 2026 at 1:00. Jim Paxon, Chairperson, called the meeting to order at 1:00.

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

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

Joint Powers Commission

Attendees: City of T or C

Rolf Hechler, Member, Present
Ingo Hoepfner, Member, Present
Gary Whitehead, City Manager, Ex-O, A

Sierra County

Jim Paxon, **Chairperson**, Present
Sandy Jones, Member, Present
Amber Vaughn, County Manager, Ex-O, A

Village of Williamsburg

Deb Stubblefield, Member, Present
Amanda Cardona, VCW, Ex-O, A

Sierra Vista Hospital

Shauna Cameron, CEO, Present

There is a quorum of voting members.

4. **Approval of Agenda** Jim Paxon, Chairperson

Rolf Hechler motioned to approve the agenda. Ingo Hoepfner seconded. Motion carried unanimously.

5. **New Business** Jim Paxon, Chairperson

A. Approval of Resolution 2026-01 approving the acquisition of real property and authorizing execution of related closing documents.

Jim Paxon stated that for the purchase of the facility at 1409 N. Date St., we need a resolution to approve the acquisition of real property and authorization for the Chair to execute closing documents.

Discussion was held regarding document distribution and attorney review, communication and JPC responsibility as well as property tax liability.

Sandy Jones stated that he didn't see any of the documents that were sent to Gary Whitehead, to the county, or anyone else. I got one piece of an exhibit, and I was made aware of a bunch of emails that were going back and forth. I won't vote for this because I think that the resolution clearly says that

Sierra Vista Hospital
Special Joint Powers Commission Minutes
January 23, 2026 @ 1:00pm

we are approving the sale. I don't seem to have anything but a piece of paper and an agenda and I don't feel comfortable in voting for it.

Rolf Hechler motioned to approve Resolution 2026-01 approving the acquisition of real property- I think I'll strike the acquisition of real property – we already own it but authorizing the execution of related closing documents. Ingo Hoepfner seconded. Sandy Jones stated that "I am certainly going to vote no for the reasons stated and the fact that information was not transmitted to me in the proper manner."

Roll call vote:

Rolf Hechel – Yes	Ingo Hoepfner – Yes
Deb Stubblefield - Yes	Sandy Jones - No
Jim Paxon – Yes	

Motion carried by majority.

6. Adjournment-

Deb Stubblefield motioned to adjourn.

Jennifer Burns, Recording Secretary

Jim Paxon, JPC Chairperson

Sierra Vista Hospital
Regular/ Annual Joint Powers Commission Minutes
December 3, 2025 @ 2:00pm

1. The Joint Powers Commission of Sierra Vista Hospital held their regular/ annual meeting on December 3, 2025 at 2:00. Jim Paxon, Chairperson, called the meeting to order at 2:00.

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

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

Joint Powers Commission

Attendees: City of T or C

Rolf Hechler, Member, Present
Ingo Hoepfner, Member, Present
Gary Whitehead, City Manager, Ex-O, A

Village of Williamsburg

Deb Stubblefield, Member, Present
Amanda Cardona, VCW, Ex-O, A

Sierra County

Jim Paxon, **Chairperson**, Present
Sandy Jones, Member, Present
Amber Vaughn, County Manager, Ex-O, A

Sierra Vista Hospital

David Faulkner, ICEO, Present
Ming Huang, CFO, Present
Serina Bartoo, GB Chair, Present

There is a quorum of voting members. Jim Paxon stated that this is the initial meeting of the new JPC.

AGENDA ITEMS	PRESENTER	ACTION REQUIRED
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4. Approval of Agenda	Jim Paxon, Chairperson	Action
<u>Deb Stubblefield motioned to approve the agenda. Ingo Hoepfner seconded. Motion carried unanimously.</u>		

5. Approval of Minutes	Jim Paxon, Chairperson	
A. June 19, 2025 Regular Meeting Minutes		Action
B. July 15, 2025 JPA Amendment Committee Minutes (members only)		Action
C. August 21, 2025 No quorum, no meeting		Information
<u>Rolf Hechler motioned to approve the June and July minutes. Deb Stubblefield seconded. Motion carried unanimously.</u>		

6. Public Comment – None

Sierra Vista Hospital
Regular/ Annual Joint Powers Commission Minutes
December 3, 2025 @ 2:00pm

7. Old Business Jim Paxon, Chairperson Report/Action

A. JPA Final Approved Amendment – Jim Paxon stated that the amendment to the JPA was initiated by the withdrawal of the City of Elephant Butte. It took five months to get it approved by all entities and the NMFA returned it to us, approved within seven to eight working days. The amendment changes the Governing Board from nine members to five. The JPC is now also five members. The five Governing Board members are Greg D’Amour, Cookie Johnson, Serina Bartoo, Bruce Swingle and Jesus Baray. The terms are staggered in two- and three-year terms.

8. New Business Jim Paxon, Chairperson

A. Appointment of JPC representatives

Mr. Jones was appointed Commissioner of Sierra County by the Lieutenant Governor when Travis Day resigned.

B. Appointment of Governing Board Members

Both items A and B are discussed above and no action is required.

C. Election of Officers JPC - Jim Paxon, Chairperson explained that this is usually done in July or August but there was no quorum at the August meeting. Discussion was held regarding changing the bylaws and terms of election. The election term today will be until June 30, 2026.

Rolf Hechler stated that he would like to see Jim Paxon remain the Chairperson.

1. Chairperson

Rolf Hechler motioned to nominate Jim Paxon for Chairperson. Ingo Hoepfner seconded. There were no other nominations. Motion carried unanimously.

2. Vice Chairperson

Ingo Hoepfner nominated Deb Stubblefield for Vice Chairperson. Sandy Jones seconded. There were no other nominations. Motion carried unanimously.

D. Appointment of Recording Secretary

Deb Stubblefield motioned to appoint Jennifer Burns as Recording Secretary. Ingo Hoepfner seconded. There were no other nominations. Motion carried unanimously.

E. Nondiscrimination Resolution 25-105

English and Spanish

Deb Stubblefield motioned to approve Resolution 25-105. Rolf Hechler seconded. Motion carried unanimously.

F. Open Meetings Act Resolution 25-106

Rolf Hechler motioned to approve Resolution 25-106. Deb Stubblefield seconded. Motion carried unanimously.

G. Public Records Request Resolution 25-104

Discussion was held regarding the \$1.00 per page cost for redacted pages. This line will be struck from the resolution. There were questions regarding electronic transmission charges as well. It was suggested that adding section 14-2-9 C. (4) from the IPRA be added to the resolution. This section states “may charge the actual costs associated with transmitting copies of public records by mail, electronic mail or facsimile.”

Rolf Hechler motioned to table Public Records Request Resolution 25-104 for further clarification. Staff is instructed to consult with the AG and or the hospital attorney. Ingo Hoepfner seconded. Motion carried unanimously.

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December 3, 2025 @ 2:00pm

H. Meeting Schedule FY26

Jim Paxon stated that the JPC has been meeting quarterly on the third Thursday of the month. The next meeting will be held March 19, 2026 at 2:00.

Deb Stubblefield motioned to approve the quarterly, third Thursday schedule. Ingo Hoepfner seconded. Motion carried unanimously.

I. Review of JPC Policies

Discussion was held regarding the recourse for lack of quorum at a meeting. Discussion was held regarding procedure number five of JPC Policy number five, duties and responsibilities. It is Jim Paxon's opinion that acquisition be added related to real property of the hospital. Currently, only to dispose of real property is stated. David Faulkner said that this verbiage comes from the JPA and would require the JPA to be changed. At this time, if the Governing Board wanted to acquire property, the JPC would have to concur with the purchase. At some point, this will need to be addressed in the JPA. JPC Policy number six, under Chairperson duties shall include: Represent the JPC as an ex-officio member of the governing board as new item (d). The remaining items are unchanged.

Deb Stubblefield motioned to approve the JPC policies with the changes noted. Ingo Hoepfner seconded. Motion carried unanimously.

J. FY25 (June) Financials - Ming Huang, CFO, directed board members to page five of the auditors' basic financial statements. From 2024 to 2025 we increased investments from \$5,720,139 to \$11,828,616 due to funds received from the state for the Healthcare Delivery Access Act (HDAA). There is an additional \$5,279,617 under supplemental payments receivable. This is from the same program, but we have not received the funds yet. Overall, total assets increased by \$8,033,730. This is the major change for 2025. The HDAA is a Medicaid program designed for Medicaid reimbursement.

There is not much change in liabilities from 2024 to 2025. We have reserved \$151,000 in estimated third-party payor settlements. Discussion was held regarding where the investment accounts are held and who manages it. HDAA funds can be used for operations; they were created for that. The state gives us the HDAA funds to compensate for low Medicaid reimbursement. None of the funds we have are encumbered with the exception of the \$1.5 million from the legislature for the EMS building. We do not have those funds in the bank. Those are funds that we receive reimbursement from as we use them.

Net revenue for 2025 was \$31,229,096. \$11,843,740 was received in Medicaid supplemental payments and \$72,847 in grants for total operating revenue of \$43,757,299. Total operating expenses were \$40,444,683 for a positive income of \$3,312,616. Under nonoperating revenue, \$2,310,127 is listed as CARES Act Employee Retention Credit. This is from an IRS COVID program from two years ago which also included \$548,822 in additional interest due to the late payment. We received \$1,500,000 from Senate Bill 161 which is a two-year program totaling \$2,700,000. We will receive \$1,200,000 this year from the program.

The change in net position is \$9,029,011 for 2025. In 2024, we had (\$3,426,972). There are no findings in the 2025 audit.

Sandy Jones motioned to approve the FY25 June Financial Audit Report. Deb Stubblefield seconded. Motion carried unanimously.

K. September Finance Report - Ming Huang, CFO, reported gross patient revenue in September was \$5,364,961. After deductions of \$2,508,076, net patient revenue was \$2,857,736. With the addition of other and nonoperating revenue, we have \$3,870,147 in total operating revenue. Total

Sierra Vista Hospital
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December 3, 2025 @ 2:00pm

expenses were \$2,729,601. EBITDA for September was \$1,140,546. Year to date, EBITDA is \$2,994,356. Total cash on hand at the end of September was \$14,873,676.

Rolf Hechler motioned to approve the September Financial Report. Ingo Hoepfner seconded. Motion carried unanimously.

L. FY26 Budget - Ming Huang, CFO. Gross patient revenue is budgeted at \$69,713,891 and net patient revenue at \$29,829,945. Total operating revenue is budgeted at \$45,371,098. Total operating expense is \$35,246,269. We expect to have an EBITDA of \$10,124,829 which includes the HDAA money. This is a 22% margin. Further discussion was held regarding HDAA money.

M. CEO Report - David Faulkner, ICEO. In discussing operations, we had surgery here and lost \$1.6 million a year. It would take 556 cases per year to break even and there are not 556 cases in Sierra County. So, we have eliminated surgery.

We have a \$1.5 million grant for EMS and Physical Therapy/ Rehab. Rather than building another building, we moved Physical Therapy/ Rehab into the OR area. This area is now making money on the Medicare cost report. We issued an RFP for the EMS building and selected an architect. To build a 4,000 square foot building onsite would eliminate the employee south parking area and cost over \$2.5 million. We started looking at other options including the building at 1409 N. Date St. The architect has looked at it, and we have had an appraisal done. It appraises at \$307,000. This is 5,000 square foot building. The Governing Board approved submitting an offer of \$307,000 yesterday. We will use the \$1.5 million to remodel and house our EMS and ambulances. This will be a cash purchase for the property.

Jim Paxon opened discussion to concur with the Governing Boards decision to purchase 1409 N. Date St. Discussion was held regarding what needs to be done to the building, the cost savings and wear and tear on the ambulances and the cost of dirt work to put the building on the current hospital grounds. The location is good with easy access to the north and south and the County offices are across the street in the event of a major event or crisis. Overall, the discussion was positive.

1. EMS building – Rolf Hechler motioned to concur with the Governing Boards decision to purchase 1409 N. Date Street for \$307,000. Ingo Hoepfner seconded. Motion carried by majority with Sandy Jones voting no.

Continuing with the CEO report, David Faulkner stated that we are looking at a new CT scanner. Our current machine was put in in 2019, and it was refurbished when we got it. We are currently doing about 400 scans per month. When the CT goes down, we go on divert. There are several options that we'll need to decide on and work out the transition from the old one to the new one.

Memorial is buying our OR equipment for \$140,000. We have gone through the state regs, and this will be completed December 5th.

We received a letter from Elephant Butte regarding the GRT money that they have owed us for the last three years. David Montieth from the New Mexico Taxation and Revenue department was able to explain to them the proper calculations and they now agree that they owe the money. They owe \$181,000. They have suggested a repayment plan with an additional \$5,040.15, interest free, over the next 36 months. The Governing Board instructed us to respond to that letter and we will. Discussion was held regarding the loan agreement, the intercept and what is intercepted, accounting for what each entity has paid to the hospital and where the excess tax collection goes assuming there is excess. Ming stated that the monies collected from each entity do not cover the monthly loan payment to NMFA every month. The hospital has to pay out of operations as well. Ming will provide a spread sheet

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December 3, 2025 @ 2:00pm

showing the yearly income from GRT and what the hospital has had to pay each year. The funds owed to the hospital from the City of Elephant Butte GRT should have been put in a suspense account.

Finally, Jim Paxon stated that David Faulkner is on his second tour with the hospital as the ICEO. He has been instrumental in working with the Governing Board to move us towards solvency and we owe him a tremendous amount of gratitude for shepherding this hospital.

N. Governing Board Report - Serina Bartoo, GB Chair. We are in final negotiations with our potential CEO. We hope to have answer in the next week. The audit was approved at the Governing Board meeting on December 2nd. Governing Board members will be submitting their board education hours to Ovation by the end of this month.

9. Next meeting: March 19, 2026 at 2:00

10. Adjournment- Meeting adjourned at 4:52

Jennifer Burns, Recording Secretary

Jim Paxon, JPC Chairperson

SIERRA VISTA HOSPITAL GOVERNING BODY

PUBLIC RECORD ACT REQUESTS RESOLUTION No. 25-107

Article 2-NMSA 14-2-1/14-2-12

A Resolution Providing for Proper Response to all Legitimate Requests for Public Records According to Public Records Act Requests, Article 2-NMSA 14-2-1/14-2-12.

BE IT RESOLVED by the Governing Board of Sierra Vista Hospital, as follows:

NOTICE OF RIGHT TO INSPECT PUBLIC RECORDS

By law, under the Inspection of Public Records Act, every person has the right to inspect public records, of Sierra Vista Hospital. Compliance with requests to inspect public records is an integral part of the routine duties of the officers and employees Sierra Vista Hospital.

Procedures for Requesting Inspection. Requests to inspect public records should be submitted to the records custodian: Jennifer Burns, located at 800 E. 9th Ave, Truth of Consequences, NM, (575) 894-2111 xt 357, fax number (575) 894-7659, jennifer.burns@svhnm.org

A person desiring to inspect public records may submit a request to the custodian orally or in writing. However, the procedures and penalties prescribed by the Act apply only to written requests. A written request must contain the name, address and telephone number of the person making the request. Written requests may be submitted in person or sent via US mail, email, or facsimile. The request must describe the records sought in sufficient detail to enable the records custodian to identify and locate the requested records.

The records custodian must permit inspection immediately or as soon as practicable, but no later than 15 calendar days after records custodian receives the inspection request. If inspection is not permitted within three business days, the person making the request will receive a written response explaining when the records will be available for inspection or when the public body will respond to the request. If any of the records sought are not available for public inspection, the person making the request is entitled to a written response from the records custodian explaining the reasons inspection has been denied. The written denial shall be delivered or mailed within 15 calendar days after the records custodian receives the request for inspection.

Copies and Fees. If a person requesting inspection would like a copy of a public record, a reasonable fee may be charged. ~~The fee for printed documents 11 inches by 17 inches or smaller is (\$.50) per page. The fee for larger documents is (\$.50) per page. The fee for downloading copies of public records to a computer disk or storage device is (\$.25) per page. If a person requests that a copy of a public record be transmitted, a fee of (\$.25) per page plus postage may be charged for transmission by mail, (\$.25) per page for transmission by e-mail and (\$.25) per page for transmission by facsimile. Where redacting is required, (\$1.00) per page regardless of the number or size of copies and regardless of the medium. There is no fee for records provided electronically. If physical copies are requested, standard fees are typically \$0.75 per page for documents up to 11x17 inches, and \$10.00 for digital media like CDs or DVDs.~~ The records custodian may request that applicable fees for copying public records be paid in advance before the copies are made. A receipt indicating that the fees have been paid will be provided upon request to the person requesting the copies.

PASSED AND APPROVED this day of

JOINT POWERS COMMISSION
POLICIES AND PROCEDURES

Subject: Election of Officers

Original Policy Date: 11/28/2012

Review: 2024 JP 2025 JP 2026 _____

Approved By: Joint Powers Commission
12/3/25

Last Revised: 12/3/25

POLICY:

One member of the JPC shall be elected Chairperson and one member elected Vice-Chairperson. Each of the officers shall be elected at the annual meeting of the JPC in July, by and from among the Members to serve for a term of one year.

PROCEDURE:

1. The Chairperson and the Vice-Chairperson will be elected by a majority vote of the voting members.
2. The Chairperson duties shall include:
 - (a) Supervise JPC affairs overall.
 - (b) Preside at all meetings of the JPC.
 - (c) To coordinate with the Hospital CEO or designated person, the time and place for special JPC meetings.
 - (d) Represent the JPC as an ex-officio member of the Governing Board.
 - (e) To cast the tie breaking vote on JPC actions.
 - (f) Keep the Vice-Chairperson up to date on JPC business.
 - (g) Annually the chairperson appoints the Recording Secretary.
3. The Vice-Chairperson duties shall include:
 - (a) To preside at the meeting of the JPC where the Chairperson is unavailable.
4. Any JPC officers can be removed by a two-thirds (2/3) vote of the total membership.



Financial Analysis

October 31st, 2025

Days Cash on Hand for October 2025 are 154 which equals \$14,495,631

Accounts Receivable Net days are 37

Accounts Payable days are 19

Hospital Excess Revenue over Expense

The **Net Income** for the month of October was (\$438,713) vs. a Budget Income of \$402,913.

Hospital Gross Revenue for October was \$5,275,087 or \$645,819 less than the budget. Patient Days were 98 – 37 more than September, Outpatient visits were 935 – 15 less than September. RHC visits were 669 – 32 less than September and ER visits were 704 – 80 more than September.

Revenue Deductions for October were \$3,520,580.

Other Operating Revenue was \$881,478, including \$812,233 Healthcare Delivery Access Act (HDAA) receivable.

Non-Operating Revenue was \$319,842.

Hospital Operating Expenses for October were \$2,944,453. Contract services were less than budget, but salaries were more than budget. Repairs/Maintenance were more than budget due to annual fire alarm inspection and adjusting HVAC pressure. Other operating expenses included \$25,000 malpractice settlement.

EBITDA for October was \$11,374 vs. a Budget of \$859,917. YTD EBITDA is \$3,005,730 vs. a Budget of \$3,411,929.

The **Bond Coverage Ratio** in October was 320% vs. an expected ratio of 130%.



Financial Analysis

November 30th, 2025

Days Cash on Hand for November 2025 are 159 which equals \$14,586,957

Accounts Receivable Net days are 41

Accounts Payable days are 19

Hospital Excess Revenue over Expense

The **Net Income** for the month of November was \$537,809 vs. a Budget Income of \$389,916.

Hospital Gross Revenue for November was \$4,739,735 or \$990,174 less than the budget. Patient Days were 106 – 8 more than October, Outpatient visits were 669 – 266 less than October. RHC visits were 525 – 144 less than October and ER visits were 631 – 73 less than October.

Revenue Deductions for November were \$2,686,052.

Other Operating Revenue was \$1,053,020, including \$939,715 Healthcare Delivery Access Act (HDAA) receivable.

Non-Operating Revenue was \$328,177.

Hospital Operating Expenses for November were \$2,475,680. Benefits were less than budget due to the refund of unemployment expenses of \$62,000. We also received \$32,532 dividends from workers' compensation insurance.

EBITDA for November was \$961,526 vs. a Budget of \$832,178. YTD EBITDA is \$3,967,255 vs. a Budget of \$4,244,106.

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



Financial Analysis

December 31st, 2025

Days Cash on Hand for December 2025 are 189 which equals \$17,189,992 (Received \$2,105,024 HDAA and \$293,072 Mill Levy)

Accounts Receivable Net days are 37

Accounts Payable days are 14

Hospital Excess Revenue over Expense

The **Net Income** for the month of December was \$766,053 vs. a Budget Income of \$402,913.

Hospital Gross Revenue for December was \$5,647,822 or \$273,084 less than the budget. Patient Days were 115 – 9 more than November, Outpatient visits were 807 – 138 more than November. RHC visits were 568 – 43 more than November and ER visits were 845 – 214 more than November.

Revenue Deductions for December were \$2,872,734.

Other Operating Revenue was \$871,800, including \$783,567 Healthcare Delivery Access Act (HDAA) receivable.

Non-Operating Revenue was \$216,800. Recognized \$100,171 loss for surgical equipment disposition.

Hospital Operating Expenses for December were \$2,646,849. Contract services were less than budget due to the lower agency staffing expenses.

EBITDA for December was \$1,217,416 vs. a Budget of \$859,917. YTD EBITDA is \$5,184,672 vs. a Budget of \$5,104,023.

The **Bond Coverage Ratio** in December was 432% vs. an expected ratio of 130%.



Financial Analysis

January 31st, 2026

Days Cash on Hand for January 2026 are 175 which equals \$16,006,015

Accounts Receivable Net days are 49

Accounts Payable days are 16

Hospital Excess Revenue over Expense

The **Net Income** for the month of January was (\$82,932) vs. a Budget Income of \$402,913.

Hospital Gross Revenue for January was \$4,893,831 or \$1,027,075 less than the budget. Patient Days were 128 – 30 more than December, Outpatient visits were 824 – 17 more than December. RHC visits were 703 – 135 more than December and ER visits were 703 – 142 less than December.

Revenue Deductions for January were \$2,975,958. Recorded additional cost report payable of \$213,000.

Other Operating Revenue was \$984,589, including \$749,027 Healthcare Delivery Access Act (HDAA) receivable.

Non-Operating Revenue was \$311,824.

Hospital Operating Expenses for January were \$2,880,621. Salaries were higher because of providers' quarterly productivity incentive. Contract services were less than budget due to the lower agency staffing expenses. Professional fees included the coverage of walk-in clinic from Emergency Staffing Solutions.

EBITDA for January was \$333,666 vs. a Budget of \$859,917. YTD EBITDA is \$5,473,879 vs. a Budget of \$5,963,940.

The Bond Coverage Ratio in January was 387% vs. an expected ratio of 130%.



Financial Analysis

February 28th, 2026

Days Cash on Hand for February 2026 are 187 which equals \$16,963,492

Accounts Receivable Net days are 39

Accounts Payable days are 15

Hospital Excess Revenue over Expense

The **Net Income** for the month of February was \$1,476,274 vs. a Budget Income of \$287,209.

Hospital Gross Revenue for February was \$4,887,668 or \$76,686 less than the budget. Patient Days were 127 – 1 less than January, Outpatient visits were 855 – 31 more than January. RHC visits were 649 – 54 less than January and ER visits were 650 – 53 less than January.

Revenue Deductions for February were \$1,799,498. Reversed cost report payable of \$213,000 booked in January and recorded additional cost report receivable of \$213,000.

Other Operating Revenue was \$821,998, including \$749,027 Healthcare Delivery Access Act (HDAA) receivable.

Non-Operating Revenue was \$400,469. Received trauma grant of \$39,871 and \$10,000 for baby box.

Hospital Operating Expenses for February were \$2,406,626. Contract services were less than budget because of the cyber insurance claim payment of \$63,950.

EBITDA for February was \$1,904,011 vs. a Budget of \$699,987. YTD EBITDA is \$7,377,890 vs. a Budget of \$6,074,886.

The Bond Coverage Ratio in February was 487% vs. an expected ratio of 130%.

Sierra Vista Hospital
INCOME STATEMENT by Month
February 28, 2026

Description	Month Ending 6/30/2026	Month Ending 5/31/2026	Month Ending 4/30/2026	Month Ending 3/31/2026	Month Ending 2/28/2026	Month Ending 1/31/2026	Month Ending 12/31/2025	Month Ending 11/30/2025	Month Ending 10/31/2025	Month Ending 9/30/2025	Month Ending 8/31/2025	Month Ending 7/31/2025
Revenues												
Gross Patient Revenue	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue Deductions	1,416,986	2,364,170	2,266,003	2,874,405	2,140,343	2,874,405	2,149,035	2,149,035	2,149,035	2,149,035	2,149,035	2,149,035
Contractual Allowances	117,089	388,353	218,764	387,967	316,036	387,967	316,036	387,967	387,967	387,967	387,967	387,967
Bad Debt	265,423	223,434	223,434	223,434	223,434	223,434	223,434	223,434	223,434	223,434	223,434	223,434
Other Deductions	1,799,498	2,975,958	2,872,734	2,872,734	2,872,734	2,872,734	2,872,734	2,872,734	2,872,734	2,872,734	2,872,734	2,872,734
Total Revenue Deductions	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net Patient Revenue	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net Patient Revenue	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gross to Net %	63%	39%	39%	49%	43%	43%	43%	43%	43%	43%	43%	40%
Other Operating Revenue	821,998	984,589	871,800	871,800	871,800	871,800	871,800	871,800	871,800	871,800	871,800	871,800
Non-Operating Revenue	400,469	311,824	311,824	311,824	311,824	311,824	311,824	311,824	311,824	311,824	311,824	311,824
Total Operating Revenue	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Expenses												
Salaries & Benefits	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Salaries	\$1,272,469	\$1,537,565	\$1,369,070	\$1,369,070	\$1,369,070	\$1,369,070	\$1,369,070	\$1,369,070	\$1,369,070	\$1,369,070	\$1,369,070	\$1,369,070
Benefits	1,025,515	1,255,535	1,115,468	1,115,468	1,115,468	1,115,468	1,115,468	1,115,468	1,115,468	1,115,468	1,115,468	1,115,468
Other Salary & Benefit Expense	212,886	266,230	227,504	227,504	227,504	227,504	227,504	227,504	227,504	227,504	227,504	227,504
Supplies	34,068	15,800	26,099	26,099	26,099	26,099	26,099	26,099	26,099	26,099	26,099	26,099
Contract Services	174,806	217,563	221,434	221,434	221,434	221,434	221,434	221,434	221,434	221,434	221,434	221,434
Professional Fees	501,696	632,927	615,293	615,293	615,293	615,293	615,293	615,293	615,293	615,293	615,293	615,293
Leases/Rentals	203,574	222,320	196,113	196,113	196,113	196,113	196,113	196,113	196,113	196,113	196,113	196,113
Utilities	2,912	4,738	4,834	4,834	4,834	4,834	4,834	4,834	4,834	4,834	4,834	4,834
Repairs / Maintenance	38,565	37,754	36,645	36,645	36,645	36,645	36,645	36,645	36,645	36,645	36,645	36,645
Insurance	37,987	43,807	42,173	42,173	42,173	42,173	42,173	42,173	42,173	42,173	42,173	42,173
Other Operating Expenses	151,554	155,427	137,689	137,689	137,689	137,689	137,689	137,689	137,689	137,689	137,689	137,689
Total Operating Expenses	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
EBITDA	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
EBITDA Margin	44%	10%	30%	28%	28%	28%	28%	28%	28%	28%	28%	27%
Non - Operating Expenses												
Depreciation and Amortization	\$265,799	\$289,486	\$253,406	\$253,406	\$253,406	\$253,406	\$253,406	\$253,406	\$253,406	\$253,406	\$253,406	\$253,406
Interest	95,368	95,583	95,796	95,796	95,796	95,796	95,796	95,796	95,796	95,796	95,796	95,796
Tax/Other	66,569	31,530	57,702	57,702	57,702	57,702	57,702	57,702	57,702	57,702	57,702	57,702
Total Non Operating Expenses	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
NET INCOME (LOSS)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net Income Margin	34%	(3%)	20%	16%	16%	16%	16%	16%	16%	16%	16%	15%

Sierra Vista Hospital
TWELVE MONTH INCOME STATEMENT
 February 28, 2026

Description	2/28/2026	1/31/2026	Month Ending 12/31/2025	Month Ending 11/30/2025	Month Ending 10/31/2025	Month Ending 9/30/2025	Month Ending 8/31/2025	Month Ending 7/31/2025	Month Ending 6/30/2025	Month Ending 5/31/2025	Month Ending 4/30/2025	Month Ending 3/31/2025
Revenues												
Gross Patient Revenue	\$ 4,887,668	\$ 4,893,831	\$ 5,647,822	\$ 4,739,735	\$ 5,275,087	\$ 5,364,961	\$ 5,728,007	\$ 5,847,037	\$ 5,782,787	\$ 5,061,742	\$ 6,302,516	\$ 7,115,100
Revenue Deductions	1,416,986	2,364,170	2,266,003	2,140,343	2,874,405	2,149,035	2,716,587	2,957,705	2,135,450	2,566,661	2,666,669	3,075,801
Contractual Allowances	117,089	388,353	218,764	229,673	258,219	130,496	347,559	329,828	204,655	262,403	788,464	347,485
Other Deductions	265,423	223,434	387,967	316,036	387,955	228,545	386,919	226,592	383,341	169,178	165,157	292,440
Total Revenue Deductions	\$ 1,799,498	\$ 2,975,958	\$ 2,872,734	\$ 2,686,052	\$ 3,520,580	\$ 2,508,076	\$ 3,451,065	\$ 3,514,124	\$ 2,723,446	\$ 2,998,242	\$ 3,620,289	\$ 3,715,726
Other Patient Revenue	0	1	577	2,325	0	851	34,326	0	777	3,827	0	2
Net Patient Revenue	\$ 3,088,170	\$ 1,917,874	\$ 2,775,665	\$ 2,056,008	\$ 1,754,507	\$ 2,857,736	\$ 2,311,267	\$ 2,332,913	\$ 3,060,118	\$ 2,067,327	\$ 2,682,227	\$ 3,399,377
Gross to Net %	63%	39%	49%	43%	33%	53%	40%	40%	52.9%	41%	43%	48%
Other Operating Revenue	821,998	984,589	871,800	1,053,020	881,478	635,748	954,057	869,741	794,779	353,270	7,120,736	2,556,854
Non-Operating Revenue	400,469	311,824	216,800	328,177	319,842	376,662	359,733	768,770	480,337	401,868	330,034	511,933
Total Operating Revenue	\$ 4,310,637	\$ 3,214,287	\$ 3,864,265	\$ 3,437,205	\$ 2,955,827	\$ 3,870,147	\$ 3,625,057	\$ 3,971,423	\$ 4,335,235	\$ 2,822,465	\$ 10,132,997	\$ 6,468,163
Expenses												
Salaries & Benefits	1,272,469	1,537,565	1,369,070	1,198,263	1,593,370	1,407,966	1,361,986	1,509,302	1,147,793	1,362,315	1,404,547	1,405,535
Salaries	1,025,515	1,255,535	1,115,468	1,022,145	1,327,514	1,133,388	1,115,046	1,278,160	1,147,010	1,144,644	1,090,671	1,152,634
Benefits	212,886	266,230	227,504	138,533	247,665	242,697	225,406	213,337	(24,179)	202,156	295,778	201,504
Other Salary & Benefit Expense	34,068	15,800	26,099	37,585	18,190	31,881	21,535	17,805	24,962	15,516	18,099	51,397
Supplies	174,806	217,563	221,434	163,803	206,937	176,933	208,274	189,341	226,131	150,093	200,445	222,769
Contract Services	501,696	632,927	615,293	652,646	627,604	679,489	728,657	714,849	199,831	725,597	979,527	928,460
Professional Fees	203,574	222,320	196,113	207,101	205,305	206,800	195,433	190,394	195,530	209,863	182,456	185,130
Leases/Rentals	2,912	4,738	4,834	4,493	6,349	4,793	5,074	5,924	6,121	4,185	6,381	5,886
Utilities	38,565	37,754	36,645	43,104	38,129	47,637	54,993	57,944	55,976	44,982	43,010	47,256
Repairs / Maintenance	37,987	43,807	42,173	47,233	72,216	35,678	101,773	78,692	74,111	34,800	60,071	60,707
Insurance	151,554	155,427	137,689	124,655	139,057	137,741	149,270	139,535	137,785	154,946	154,450	154,932
Other Operating Expenses	23,063	28,519	68,056	34,381	55,486	32,564	26,101	25,127	68,607	29,289	32,619	73,995
Total Operating Expenses	\$2,406,626	\$2,880,621	\$2,691,308	\$2,475,680	\$2,944,453	\$2,729,601	\$2,831,562	\$2,911,108	\$2,111,884	\$2,716,069	\$3,063,507	\$3,084,672
EBITDA	\$1,904,011	\$333,666	\$1,172,957	\$961,526	\$11,374	\$1,140,546	\$793,495	\$1,060,315	\$2,223,350	\$106,396	\$7,069,490	\$3,383,491
EBITDA Margin	44%	10%	30%	28%	0%	29%	22%	27%	51.3%	4%	70%	52%
Non - Operating Expenses												
Depreciation and Amortization	265,799	289,486	253,406	290,466	298,662	290,764	298,975	298,975	763,696	256,277	239,228	259,395
Interest	95,368	95,583	95,796	96,161	96,219	96,429	96,943	96,846	120,050	76,215	75,816	75,872
Tax/Other	66,569	31,530	57,702	37,089	55,205	50,769	52,856	51,186	61,239	55,341	57,875	54,279
Total Non Operating Expenses	\$427,736	\$416,598	\$406,904	\$423,717	\$450,087	\$437,963	\$448,774	\$447,007	\$944,984	\$387,833	\$372,919	\$389,546
NET INCOME (LOSS)	\$1,476,274	(\$82,932)	\$766,053	\$537,809	(\$438,713)	\$702,583	\$344,722	\$613,308	\$1,278,366	(\$281,438)	\$6,696,571	\$2,993,945
Net Income Margin	34%	(3%)	20%	16%	(15%)	18%	10%	15%	29.5%	(10%)	66%	46%

Sierra Vista Hospital
BALANCE SHEET
February 28, 2026

DESCRIPTION		June 30, 2025
February 28, 2026 (Unaudited)	Assets	
	Current Assets	
\$ 16,852,972	Cash and Liquid Capital	\$ 13,382,416
\$ 110,520	US Bank Clearing	\$ 67,349
\$ 16,963,492	Total Cash	\$ 13,449,765
\$ 11,083,116	Accounts Receivable - Gross	\$ 13,053,445
\$ 7,972,486	Contractual Allowance	\$ 9,448,209
\$ 3,110,630	Total Accounts Receivable, Net of Allowance	\$ 3,605,236
\$ 6,639,851	Other Receivables	\$ 5,740,064
\$ 472,001	Inventory	\$ 420,992
\$ 675,782	Prepaid Expense	\$ 126,593
\$ 27,861,757	Total Current Assets	\$ 23,342,650
	Long Term Assets	
\$ 59,108,557	Fixed Assets	\$ 59,959,550
\$ 25,009,422	Accumulated Depreciation	\$ 23,955,474
\$ 28,062	Construction in Progress	-
\$ 34,127,198	Total Fixed Assets, Net of Depreciation	\$ 36,004,076
\$ 34,127,198	Total Long Term Assets	\$ 36,004,076
\$ 2,985,379	New Hospital Loan	\$ 2,070,015
\$ 64,974,334	Total Assets	\$ 61,416,741
	Liabilities & Equity	
	Current Liabilities	
\$ 680,692	Account Payable	\$ 1,319,408
\$ 1,192,849	Interest Payable	\$ 561,483
\$ 66,481	Accrued Taxes	\$ 61,131
\$ 975,046	Accrued Payroll and Related	\$ 704,168
\$ (63,000)	Cost Report Settlement	\$ 151,000
\$ 2,852,068	Total Current Liabilities	\$ 2,797,190
	Long term Liabilities	
\$ 27,203,555	Long Term Notes Payable	\$ 27,533,620
\$ 27,203,555	Total Long Term Liabilities	\$ 27,533,620
\$ -	Unapplied Liabilities	\$ -
\$ 289,290	Capital Equipment Lease	\$ 375,614
\$ 30,344,913	Total Liabilities	\$ 30,706,424
\$ 30,710,316	Retained Earnings	\$ 21,681,305
\$ 3,919,104	Net Income	\$ 9,029,011
\$ 64,974,334	Total Liabilities and Equity	\$ 61,416,741

Sierra Vista Hospital
BALANCE SHEET by Month
February 28, 2026

	Month Ending 6/30/2026	Month Ending 5/31/2026	Month Ending 4/30/2026	Month Ending 3/31/2026	Month Ending 2/28/2026	Month Ending 1/31/2026	Month Ending 12/31/2025	Month Ending 11/30/2025	Month Ending 10/31/2025	Month Ending 9/30/2025	Month Ending 8/31/2025	Month Ending 7/31/2025
Assets												
Current Assets												
Cash and Liquid Capital												
US Bank Clearing												
Total Cash	\$0	\$0	\$0	\$0	\$16,963,492	\$16,006,015	\$17,189,992	\$14,586,957	\$14,495,631	\$14,873,676	\$13,276,906	\$11,754,654
Accounts Receivable - Gross												
Contractual Allowance												
Total Accounts Receivable, Net of Allowance	\$ -	\$ -	\$ -	\$ -	\$ 3,110,630	\$ 3,663,309	\$ 2,875,302	\$ 3,095,727	\$ 2,817,309	\$ 3,667,800	\$ 3,250,033	\$ 3,533,756
Other Receivables												
Inventory												
Prepaid Expense												
Total Current Assets	\$0	\$0	\$0	\$0	\$27,861,757	\$26,672,838	\$26,431,185	\$25,426,052	\$25,297,617	\$25,598,189	\$24,815,370	\$24,028,433
Long Term Assets												
Fixed Assets												
Accumulated Depreciation												
Construction in Progress												
Total Fixed Assets, Net of Depreciation	\$ -	\$ -	\$ -	\$ -	\$ 34,127,198	\$ 34,385,728	\$ 34,364,114	\$ 34,720,034	\$ 35,010,500	\$ 35,278,109	\$ 35,572,018	\$35,710,265
New Hospital Loan												
Total Assets	\$ -	\$ -	\$ -	\$ -	\$ 64,974,334	\$ 63,923,616	\$ 63,539,998	\$ 62,771,153	\$ 62,812,972	\$ 63,260,825	\$ 62,651,206	\$ 61,930,313
Liabilities & Equity												
Current Liabilities												
Account Payable												
Interest Payable												
Accrued Taxes												
Accrued Payroll and Related Cost Report Settlement												
Total Current Liabilities	\$0	\$0	\$0	\$0	\$2,852,068	\$3,229,307	\$2,714,662	\$2,663,998	\$3,177,877	\$3,139,587	\$3,185,340	\$2,744,229
Long term Liabilities												
Long Term Notes Payable												
Total Long Term Liabilities	\$0	\$0	\$0	\$0	\$27,203,555	\$27,245,423	\$27,287,115	\$27,328,632	\$27,369,974	\$27,411,144	\$27,452,141	\$27,492,966
Capital Equipment Lease												
Total Liabilities	\$0	\$0	\$0	\$0	\$30,344,913	\$30,770,470	\$30,303,920	\$30,301,128	\$30,880,756	\$30,889,896	\$30,982,859	\$30,606,689
Retained Earnings												
Net Income												
Total Liabilities and Equity	\$0	\$0	\$0	\$0	\$64,974,334	\$63,923,616	\$63,539,998	\$62,771,153	\$62,812,972	\$63,260,825	\$62,651,206	\$61,930,313

FY26 Budget

Description	FY26 Original Budget	Adjustment	Revised Budget
Revenues			
Gross Patient Revenue	\$ 69,713,891	\$ (5,000,000)	\$ 64,713,891
Revenue Deductions			
Contractual Allowances	32,929,546	(3,000,000)	29,929,546
Bad Debt	3,021,582	0	3,021,582
Other Deductions	3,947,284	0	3,947,284
Total Revenue Deductions	\$ 39,898,412	\$ (3,000,000)	\$ 36,898,412
Other Patient Revenue	14,466	0	14,466
Net Patient Revenue	\$ 29,829,945	\$ (2,000,000)	\$ 27,829,945
Gross to Net %	43%	40%	43%
Other Operating Revenue	11,795,644	0	11,795,644
Non-Operating Revenue	3,745,509	0	3,745,509
Total Operating Revenue	\$ 45,371,098	\$ (2,000,000)	\$ 43,371,098
Expenses			
Salaries & Benefits	\$17,308,940	\$0	\$17,308,940
Salaries	14,173,688	0	14,173,688
Benefits	2,880,920	0	2,880,920
Other Salary & Benefit Expense	254,332	0	254,332
Supplies	2,820,193	0	2,820,193
Contract Services	9,384,864	(1,000,000)	8,384,864
Professional Fees	2,387,237	0	2,387,237
Leases/Rentals	64,021	0	64,021
Utilities	538,310	0	538,310
Repairs / Maintenance	581,950	0	581,950
Insurance	1,779,477	0	1,779,477
Other Operating Expenses	381,278	0	381,278
Total Operating Expenses	\$35,246,269	(\$1,000,000)	\$34,246,269
EBITDA	\$10,124,829	(\$1,000,000)	\$9,124,829
EBITDA Margin	22%	50%	21%
Non - Operating Expenses			
Depreciation and Amortization	\$3,555,508	\$0	\$3,555,508
Interest	1,152,658	0	1,152,658
Tax/Other	672,686	0	672,686
Total Non Operating Expenses	\$5,380,852	\$0	\$5,380,852
NET INCOME (LOSS)	\$4,743,977	(\$1,000,000)	\$3,743,977
Net Income Margin	10%	50%	9%

Fw: Proposed Settlement of Outstanding Debt by EB to SVHk

From Shauna Cameron <shauna.cameron@svhnm.org>

Date Wed 3/11/2026 11:41 AM

To Jennifer Burns <jennifer.burns@svhnm.org>

From: Richard Holcomb <r.holcomb@cityofebnm.gov>

Sent: Monday, March 9, 2026 12:04 PM

To: jpaxon@sierraco.org <jpaxon@sierraco.org>

Cc: Shauna Cameron <shauna.cameron@svhnm.org>; Janet Porter-Carrejo <jp.carrejo@cityofebnm.gov>; Kim Skinner <k.skinner@cityofebnm.gov>

Subject: Proposed Settlement of Outstanding Debt by EB to SVHk

You don't often get email from r.holcomb@cityofebnm.gov. [Learn why this is important](#)

To: Commissioner Jim Paxon, Sierra Vista Hospital JPC Chair

Ref: Proposed Repayment of Elephant Butte outstanding debt

Thank you for your time on March 5, 2026, and your input in reference to the above. As we discussed, it is my understanding the Elephant Butte City Council, the City Manager, and City Treasurer will likely be open to the below arrangement as a fair and equitable solution to the ongoing discussions relating to money owed Sierra Vista Hospital from 2023. We discussed that the total amount of \$186,895.24 would be required to satisfy the outstanding debt and that SVH is open to a repayment schedule as outlined below:

- First payment of \$31,149.21 April, 2026
- Second payment of \$31,149.21 September, 2026
- Third payment of \$31,149.21 September, 2027
- Monthly payments of \$5,191.54 commencing on April 1, 2026, for a period of 18 months or until debt is fully paid.

The above payments would be made in addition to the regular monthly payments due from the City's allocated tax revenues until the loan obligations guaranteed by the City of Elephant Butte, City of Truth or Consequences, Village of Williamsburg and Sierra County in the Third Amendment to the Sierra Vista Hospital Joint Powers Agreement adopted 16 September 2025 are satisfied in 2046. As you know, the City recommenced payment of the allocated funds on January, 2026.

You indicated that you believed this to be a fair resolution and would likely be approved by the Joint Powers Commission of Sierra Vista Hospital. This proposal will be discussed with the Elephant Butte City Council in closed session on Wednesday, March 11, 2026. I will further let the Council know that SVH will provide quarterly financial reports showing that the funds paid by the City are being allocated towards the principal balance on the loan.

Please let me know if I misunderstood any of our conversation concerning these matters. Once our mutual governing bodies formally approve, I anticipate that payments will commence shortly thereafter. Respectfully submitted,

Richard Holcomb, Mayor
City of Elephant Butte
PO Box 1080
Elephant Butte, NM 87935
Cell: (575)740-7964
r.holcomb@cityofebnm.gov



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- SVH IT Department
