

Sierra Vista Hospital
Regular/ Annual Joint Powers Commission
Minutes
April 15, 2021 @ 2:00pm

1. The Joint Powers Commission of Sierra Vista Hospital met April 15, 2021 at 2:00pm in the boardroom at Sierra Vista Hospital for a regular meeting. Kim Skinner, Chairperson called the meeting to order at 2:01pm.
2. Pledge of Allegiance Kim Skinner, Chairperson
3. Roll Call Jennifer Burns, Recorder

Joint Powers Commission

Attendees: City of Elephant Butte

Edna Trager, Present
Gerald LaFont, Present
Kim Skinner, **Chairperson**, Present
Vicki Ballinger, Ex-O, Absent

City of T or C

Sandra Whitehead, Absent
Randall Aragon, Present by phone
Frances Luna, Absent
Traci Alvarez, Inter CM Ex-O, Absent

Sierra County

Travis Day, Present by phone
Jim Paxon, Present
Hank Hopkins, Present by phone

Village of Williamsburg

Vacant, Member
Magorie Powey, Absent
Deb Stubblefield, Absent
Amanda Cardona, Ex-Officio, Absent

Sierra Vista Hospital

Eric Stokes, CEO, Ex-Officio, Present
Stephen Huey, QHR, Excused
Ming Huang, CFO, Present
Sheila Adams, CNO, Present
Greg D'Amour, **Governing Board Chair**, Present

4. **Approval of Agenda** Kim Skinner, Chairperson
Gerald LaFont motioned to approve the agenda. Jim Paxon seconded. Motion carried unanimously.

5. Public Comment – There are no letters or emails to read into the minutes. No public comment will be called for during this meeting as allowed by Section 10-15-1 Formation of Public Policy: A. State Policy on Open Meetings page 6. The public may call 1-575-223-2007 Pin 123456 to listen to the open session of this meeting.

6. Approval of Minutes

A. January 21, 2021 Minutes

Jim Paxon motioned to approve the minutes from January 21, 2021. Edna Trager seconded. Motion carried unanimously.

7. Old Business

Kim Skinner, Chairperson

A. Special Hospital District Update- Jim Paxon stated that we received good support in the legislature for the Special Hospital District and it passed the House, however it never got to a floor vote in the Senate. A Senator out of Las Cruces thought it was superfluous and therefore it never got to the floor for a vote. The only option we have now is to make it a ballot referendum and go through a general election vote. A special election would cost us approximately \$10,000. We must file by June 24th to get it on the November ballot. Dave Pato (Attorney for Sierra County) will work with David Johnson (Attorney for SVH) to draft the referendum. Once this is done, we will need to create advertising seeking Trustee

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candidates from the three County Commission districts and two at large to form a five-person Special Hospital District Board of Trustees. Interested candidates would submit a letter to the County Clerk and be put on the ballot. The terms would be staggered with 2-year appointment and 4-year appointment.

There are two issues that the JPC needs to vote on. The first is to do the referendum and the second is to file the referendum in June.

Travis Day stated that in fact this bill did not get through the House. It was the Health and Public Affairs Committee that did pass this bill. There were several questions as to why the JPC is going about this legislatively and not through the referendum process.

Kim Skinner stated that a special meeting should be called in May regarding this item. The entities should begin educating their communities through townhall discussions and include Hillsboro, Arrey and Winston.

Jim Paxon recommended tabling this item until a Special Meeting has been called in May.

8. New Business

Kim Skinner, Chairperson

A. January Financial Report- Ming Huang, CFO,

**Ming was allowed to present the February Financials in detail as these include January numbers.*

B. February Financial Report- Ming Huang, CFO, at the end of February, days cash on hand were 200, 113 available. Accounts receivable net days were 20, accounts payable days were 25. The net loss for the month of February was (\$111,757) versus a budget of \$630,661.

Hospital gross revenue was \$3,684,125 or \$366,006 more than budget. Patient days were 105, 73 less than January. RHC visits were 626, 103 less than January. Outpatient visits were 2,756, 1122 more than January and ER visits were 430, 91 less than January.

Revenue deductions for February were \$1,807,246. Other operating revenue was \$241,988 or \$73,105 more than budget. Hospital operating expenses for February were \$1,999,703. Compared to budget, expenses were over budget by \$284,386. Salaries and benefits were over budget by \$129,555 and over prior year by \$42,681. Compared to budget, the largest unfavorable expense variance was in Contract Services (\$135,957) due to additional agency nurses expense of \$46,584 which will be covered by the Provider Relief Fund; \$14,702 for electrical panel replacement, and \$16,066 for cable wiring project.

EBITDA for February was \$259,213 versus a budget of \$914,649. Year to date EBITDA is \$3,653,571 versus a budget of \$7,924,174.

The bond coverage ratio was 124% versus an expected ratio of 130%.

Gerald LaFont motioned to approve the January and February Financial report. Edna Trager seconded. Motion carried unanimously.

C. Reserve Update-

1. PPP Loan Status- Ming Huang, CFO, the CPA firm that we are working with for forgiveness of the PPP loan has all the required documentation. We will review the application for forgiveness one last time and file it within the next two weeks. We do not qualify for the second round of PPP as we did not see a 25% reduction in GRT in 2020 in any quarter.

D. Smith Street Property- Kim Skinner stated that there is a party that is interested in having the JPC donate the Smith Street property to them. This is not a decision for the Chairperson and it most go through the proper process. The party has sent packets of information to County Commissioners and the County Manager. Because this property was purchased through legislative appropriation funds in the amount of \$560,000, Jim Paxon was asked to get a legal opinion from Attorney, Dave Pato.

Jim Paxon stated, from Mr. Pato's recommendation, we cannot divest of the property without coordinating with the Department of Finance Authority in Santa Fe. The DFA would have to approve

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anything that was done with the property because it was purchased with legislative funds. There are complications in any donation. Mr. Paxon does not support a donation. Even if appraised value is much less than the purchase price, that is what we should seek because that money would come back to the hospital.

Kim Skinner read an email submitted by JPC Member, Deb Stubblefield who could not attend this meeting. “Good morning Kim, I will be absent for the April 15th JPC meeting; however, I would like to comment on Agenda item 8 (D) regarding the Smith Street property. I don’t think we should take any action at this time. Just leave it as it is for now.”

Kim added, we are trying to create a Special Hospital District which would totally change the complexion of how things operate. The JPC needs to discuss and decide if we want to move forward or do we want to wait. Kim’s recommendation currently, is to wait and see what happens after the election in November. Edna Trager stated that we should definitely wait especially with the timing of the Special Hospital District possibility in November; donating it does not sound right at all. Gerald LaFont stated that he agrees with all that has been said.

Gerald LaFont motioned to postpone discussion of the Smith Street property until after the election in November. Jim Paxon seconded. Motion carried unanimously.

If the JPC is still the JPC, this item would be discussed at the quarterly meeting in January 2022.

E. Hospital Update- Eric Stokes, CEO, introduced Sheila Adams, CNO, to the JPC. Sheila comes to us from El Paso with not only CNO experience but also accounting experience. We are lucky to have her here.

We have finalized our Community Health needs assessment which looked at utilization of services of the residence of Sierra County; where they go and what type of services they are getting. QHR did an assessment on hospital operations, clinic operations, our quality program and will come in and look at our compliance program in May. QHR presented this information to the Governing Board at the strategic planning meeting on the 31st of March.

The Admin team is working on the 3-year business plan with these assessments in mind. In May, we will present a budget for this plan. In June, we will share our plan and findings with the community. We will provide a high-quality service that is financially viable. Our plan will also include our people in the organization, the quality and level of service that we provide, financial viability and community interaction.

Discussion was held regarding the findings of the community assessment, the old hospital building and behavioral health in Sierra County.

F. Governing Board Report- Greg D’Amour, Chairperson, the strategic planning meeting that the Governing Board had on March 31st was probably the best we have ever had. We are very pleased with Eric and his team. We are looking at the behavioral health aspect for the old hospital building as there is a definite need within Sierra County and the Southwest corner of the State.

The Board is confident in Ming Huang, CFO, and the current financial status of the hospital.

Edna Trager motioned to approve the Hospital Update and Governing Board Report. Gerald LaFont seconded. Motion carried unanimously.

9. Other-

Next regular meeting will be held on July 29, 2021.

10. Adjournment

Gerald LaFont motioned to adjourn. Jim Paxon seconded. Motion carried unanimously.

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JB- approved 7/29/21

Recording Secretary, Jennifer Burns

Kim Skinner, JPC Chairperson