



**Board of Directors
Regular Board Meeting
Monday August 31, 2026**

Attendees:

Morgan Cox, President
Albert Garza, Vice President
John Myrick, Secretary
Terry Franklin, Member
Clay Parker, Member
Frances Hernandez, Member
Brian Jackson, Hospital Attorney

Nancy Cooke, CEO
Tonya Glisan, CFO
Linda Pierce, CNO
Jason Menefee, COO
Tina Columbus, Director Human Resources
Jeff Deslaurier, IT Dir., Compliance Officer
Amy Miramontes, Director of Quality

I. Call to Order - The meeting was officially called to order at 11:30 AM by Mr. Cox.

II. Reading and Approval of Minutes – July 27, 2026 - The board reviewed the minutes from the previous meeting, noting the need to amend the date to July 27th, 2026. Motions were made and seconded both to amend the minutes and to approve the amended version. Motion passed unanimously.

III. Public Comment - None

IV. Medical Staff Report – Consider and Take Action - Vote

The medical staff convened on August 26th, with no old business or new appointments to address. Several nursing and other policies were reviewed, approved, and recommended to the board. The group reviewed patient satisfaction and quality metrics, which were trending positively. A new laboratory director was introduced, and providers were reminded to complete a previously distributed survey. A pharmacy presentation was tabled, new options for outside peer reviews were discussed, and a provider requested changes to certain radiology procedures. Motions to approve the medical staff report as presented. Motion passed unanimously.

V. Medical Staff Privileges, Resignations and Terminations – Vote - None

VI. Quality Assurance / Patient Safety Report - Vote

The quality committee met on August 24th to review departmental quality indicators, identifying areas needing improvement while noting that most indicators were satisfactory. The committee approved several policies, including those for nursing, speech therapy, and quality. Utilization committee minutes for June and July, as well as safety, emergency

management, and infection control minutes for the second quarter, were reviewed. The committee discussed improving compliance with timely computer system access termination for employees, especially for Friday afternoon terminations. Motions to approve the quality and utilization reports were made, seconded, and carried.

VII. Discussion and Possible Actions on Policies – Policy Log - Vote

The board discussed updates and new policies, including revisions to blood administration, new guidelines for treating survivors of sexual assault, telemetry monitoring procedures, barium swallow procedure, patient safety organization policy, and surgical scheduling policy. The increase in surgical procedures prompted new guidance to ensure all information is completed before scheduling, aiming to reduce delays. The Quality Committee approved these policies on August 24th, and the Medical Staff Committee approved them on August 26th, with a recommendation for board approval. The new telemetry monitoring policy requires cardiac monitor strips to be reviewed every two hours, with specific documentation and collaboration between staff and providers. Motions to approve the discussed policies were made and seconded.

VIII. Strategic Initiatives

A. Construction Update – ER & PT

Updates were provided on ongoing construction projects, including the completion of the tunnel for the ambulance transfer station and progress in ER demolition and preparation.

B. Set Budget for ER & PT Equipment and Furnishings

The board discussed the need for ER equipment, such as monitors, nurse call systems, and overhead lights, emphasizing the importance of identifying items for installation during construction. A motion was made and seconded to approve a \$550,000 budget for ER equipment and related capital purchases, which was carried.

C. Construction Update – EMS Tarzan

Updates on the remote station included approval from the Texas Department of Transportation for highway access and a new deceleration lane, septic department plan approval, and the start of the permit application process. Construction drawings are nearly complete, with proposals and bids due in October. The property for the project remains in the foundation's name, and a foundation board meeting is scheduled for September 21. Nancy Coole reported that a request has been made for Mr. Jackson to prepare documents to transfer property ownership from the foundation to the hospital, maintaining existing restrictions to facilitate permitting.

IX. Department Reports

A. Compliance

Highlights included a compliance violation referred to the Privacy Officer, 100% timely quality reporting, a 1.8% turnover rate for the quarter, coding compliance at 96%, ROI compliance at 93%, and no Medicare credits or payments. Home health achieved 100%

timely billing and waste submissions, with no oral health write-offs. Patient access reported an average of 158 days for May, and no CEO report was presented due to absence.

B. CNO Report

ER statistics showed 614 patients seen in July, slightly below last year, but August numbers were already at 700. Surgery volume increased from 90 to 143 patients year-over-year, with positive trends in orthopedics. A new policy was implemented to improve workflow and efficiency, and inpatient admissions reached record highs. Nurse staffing committee reported no patient falls due to staffing, and staff felt supported. Changes in OR staffing improved workflow, and ER and inpatient presurvey scores were strong. Ambulatory surgery maintained a 97% score.

C. Quarterly Management Plan Review

Service volumes remained strong, with 74 patients seen in a 24-hour period on June 24th. Clinic visits increased by 25% over the prior year, and outpatient services and swing bed admissions also rose. Senior Leaders have requested the development of monthly reports to monitor service volumes. Patient service revenue increased by 63%, largely due to the orthopedic program. ER discharge times averaged 119 minutes, meeting the goal. State grant funds are expected, with a preliminary amount of \$1.2 million anticipated for expanded services. Expansion of express care hours is planned for October 5th, with preparations to begin by September 30th.

Motion made to approve Departmental Reports. Motion passed.

X. Equipment

Communication challenges due to ER construction were reviewed, and the 'Sarah' system was preferred for staff communication. Amy Miramontes committed to placing the 'Sarah' system purchase on the agenda for next month's meeting, and there was a request to move forward with the purchase due to urgent need.

A. Chase Vehicle for EMS – Vote

The board discussed adding a new EMS vehicle to allow more licensed paramedics to drive and carry specialized equipment. Staffing will be added, requiring backfilling to ensure 24/7 coverage. A proposal was made to add \$10,000 to the quoted price for the new EMS vehicle to cover potential changes. The Board recommended that the amount be approved for the prior budgeted amount. It was recommended that the new vehicle be diesel-powered to match the existing fleet.

B. Arthrex Arthroscopy Sets - Vote

Orthopedic equipment needs were discussed, with a total increase of \$19,679 required due to increased case volume and equipment relocation.

A motion was made and seconded to allow expenditure up to the budgeted amount for the new EMS vehicle, which was carried.

Nancy Cooke explained the need for a new communication system to assist nursing. This is particularly important with the construction in process. The system is Volcera. It allows staff to have hands free communication. It includes a panic button for notification during difficult situations. There was a request to move forward with the purchase due to urgent need., with the item to be placed on the next month's agenda for ratification.

XI. Contracts

A. Amendment to Action Cue Contract for Policy Management System – Vote

The board discussed an amendment to the ActionCue contract to implement a policy management system with automated notifications for policy review every two years, involving a one-time implementation fee and ongoing maintenance. A motion to approve the amendment was made, seconded, and carried.

B. Amendment to Best EMS Contract for Education Program – Vote

An amendment to the Best EMS contract was also discussed to add formalized education for staff, with a motion to approve, second, and carry.

C. External Peer Review Organization – Vote

Peer review services were reviewed, noting issues with the current provider and consideration of a new contract requiring legal review. Ms. Cooke will address legal issues before finalization. A motion to approve the new peer review contract, contingent on legal review, was made, seconded, and carried.

XII. Prepayment to Permian Basin Permian Basin Behavioral Health Center – Vote

After discussion, motion made and approved to prepayment commitment to the Permian Basin Behavioral Health Center. The payment totals \$300,000 to be paid over three years beginning in January 2027.

XIII. Discuss and/or Vote on Proposal for Investment Advisory Services for Hospital District - Vote

The board compared investment advisory service proposals, noting that Valley View Group offered significantly lower fees than Vail Fire and received positive feedback from the Parker County Hospital District. The Board requested a formal proposal and the item to be placed on the agenda for consideration at the next meeting.

XIV. 2026 Tax Rate

A. Review and Discuss Information Pertaining to Setting Ad Valorem Tax Rate for District for 2026

The taxable value for Martin County decreased, affecting the calculation of the no new tax rate and voter approval rate. The no new tax rate for the year is .149361, up from .128630 last year, and the voter approval rate is .160969. The board discussed adopting a rate just below the voter approval rate to generate additional income, but considered alternatives due to lower valuations. Setting a tax rate above the no new revenue rate

requires a public hearing, which can be scheduled for the next meeting. The board must publish notice in the newspaper, including how each member votes.

B. Take Record Vote on Proposed Tax Rate – Vote

A preliminary tax rate of .16 was discussed and set, with the final vote to occur at the next meeting. Motions to set the preliminary tax rate was made with all members voting to approve.

C. Set Date for Public Hearing on Proposed Tax Rate- Vote

The date and time of the Tax Rate Hearing was set for 11:15 a.m., Monday, September 28.

XV. CFO Report

A. Financial Statements for the month Ended July 2026 – Vote

The financial report for July covered three months of activity since the fiscal year began in May. Total cash was \$94.6 million, with \$1.7 million restricted for insurance. Capital projects included significant expenditures for the MSC (Tarzan location), ER and PT renovation/addition, and the master plan. Year-to-date net patient revenue was nearly \$10.4 million, with other revenue at \$1.3 million. Operating expenses were \$14 million, resulting in a net operating loss of \$2.4 million, an improvement over last year. Depreciation expense increased due to a new building, and total non-operating income was \$8.9 million. Net income for May-July was \$5,327,644, about \$400,000 below budget. Days cash on hand increased to 727, and tax collected was \$34.7 million. Accounts receivable days improved, and service volumes increased across ER, surgeries, clinics, and ancillary services. Dietary service volume decreased due to fewer construction workers. Investment returns were up 1% year-to-date, and Moody's maintained the credit rating after review.

B. Cash Disbursements for July 2026– Vote

Major expenditures included construction, capital projects, health insurance, medical supplies, and contracted services. The \$12 million debt referenced is related to the bond for the hospital.

A motion to approve the CFO report as presented was made and seconded. Motion Passed

XVI. Updated Organizational Chart – Vote

Daniel Martin was introduced as the new patient advocate and quality assistant, bringing prior experience as CEO of Andrews. Janice Miller was announced as the new lab director. A motion to approve personnel changes, including the introduction of new staff, was made and seconded. Motion Passed.

XVII. Administrative Report

Recognition was given to Jeff Deslaurier for his service as Compliance Officer, with a recommendation for his replacement to be brought next month. Jeff Deslaurier will focus on volunteer work related to the Texas Charter of CHIME. The organization received the Big Red Heart award from Stanton ISD in recognition of the services provided to the District.. Bernadette Granger from Net Power Service discussed a potential partnership with a data center, but the Public Utilities Commission indicated the grid does not need additional power, so the project would be 'behind the meter.' Ms. Cooke relayed that Net Power Service is willing to may present to the board, if desired. Concerns were raised about potential tax abatement requests and water availability. Kaitlyn Jones completed a new website, pending legal review, featuring improved navigation, updated information, and enhanced graphics. Legal review is required before launch. The new website will include weekly menus, employment opportunities, and updated board meeting information. Kaitlyn Jones was recognized for her work on the website and social media, and updates about construction and service changes will be communicated through the website.

A. Website Review

XVIII. Executive Session:

Board entered Executive Session at

A. Texas Government Code 551.071: Consultation with Attorney

B. Texas Government Code 551.074: Personnel Matters

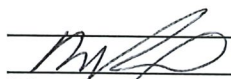
C. Texas Government Code 551.072: Real Estate Discussions

D. Texas Government Code 551.085: Organization Services and Product Lines

XIX. Return to Open Session and address any other outstanding issues that have been properly posted for consideration

Board returned to open session at

XX. Adjourn



Morgan Cox, Board President

Date 9-28-26



John Myrick, Board Secretary

Date 9/28/26