

**Board of Directors Meeting
Minutes
August 27, 2025**

The Deaf Smith County Hospital District Board of Directors met in a regular monthly meeting on Wednesday August 27, 2025, at 5:30 pm in the Board Room of Hereford Regional Medical Center.

Directors present: Tanner Black, Kevin Bunch, Robert de la Cruz, Carla Purcella, Troyce Sturgess and Chris Woodard.

Other attendees: Candice Smith, CEO; Paul Gafford, CFO; Kristin DeLosSantos, COO; Jodi Jordan, Admin Asst.

1. Call to Order

Kevin Bunch, Chairman, called the meeting to order at 5:38 pm. Kevin led the Pledge of Allegiance and offered the invocation.

2. Public Hearing Regarding 2025-2026 Budget

No public comments.

3. CFO Report

June

Paul Gafford presented June 2025 financial information. The district reported a monthly net loss of \$287K, largely due to lower inpatient volumes and increased revenue deductions following an AR cash collection reassessment. Net patient revenue for the month was \$1.7M, down \$273K from the prior year. Despite the monthly shortfall, key financial metrics remain strong with 326 days cash on hand, a current ratio of 6.92, and net days in AR at 49.2. Labor costs rose slightly with the opening of the ICU, though agency staffing decreased, and capital investments totaled \$82K. Swing bed and Rural Health Clinic volumes improved, while ER visits and acute days remained below prior year levels. Year-to-date, the district maintains a strong financial position with a 16.2% net income margin, aided by a \$2M one-time Employee Retention Credit, and has reduced gross patient AR by \$2.8M compared to last year. Overall, financial and operational performance remains stable heading into the final quarter. Chris Woodard made a motion to approve the June 2025 Financials as presented. Troyce Sturgess seconded the motion. The motion carried unanimously.

July

Paul Gafford presented July 2025 financial information. The district reported a net loss of \$288K, a slight increase from the \$287K loss in June, primarily due to continued high revenue deductions (69.8% of gross revenue) and a spike in employee benefit costs. Benefits rose to 46.4% of salaries, significantly above the YTD average of 29.4%, driven by high group health claim activity. Despite the monthly loss, the district's year-to-date net income increased to \$3.47M, up from \$3.18M in June. Cash on hand remains strong at 319 days, and net days in AR increased to 45.2. Gross patient AR decreased by \$1.5M, largely due to the write-off of old workers' comp accounts. Operationally, volumes were mixed: inpatient days fell to 27, swing bed days decreased and RHC visits declined compared to July last year. However, observation visits and newborn deliveries exceeded last July. Capital purchases for the month totaled \$18K for WorkSmart database update. Overall, July reflected a slow revenue month, but year-to-date financial performance remains positive. Carla Purcella made a motion to approve July's financials as presented. Tanner Black seconded the motion. The motion carried unanimously.

4. Review preliminary 2025-2026 Deaf Smith County Hospital District Budget

The 2025-2026 preliminary budget was presented by Paul Gafford for review.

Review and record vote on Deaf Smith County Hospital District proposed tax rate.

Mr. Gafford presented the 2025 certified value for Maintenance and Operations (M&O) with both the tax rates for no-new revenue and for voter-approval rate. Mr. Gafford also presented the 2025 certified value for Interest and Sinking (I&S) with both the no-new revenue and voter-approval rates. After review and board discussion, a motion was made by Chris Woodard to approve the proposed voter-approval M&O tax rate of 0.243992. The motion was seconded by Troyce Sturgess. Voting individually in favor of the proposed M&O rate were Tanner Black, Kevin Bunch, Robert de la Cruz, Carla Purcella, Troyce Sturgess and Chris Woodard. Board member Tim Laws was absent.

Then a motion was made by Chris Woodard to approve the voter-approval I&S tax rate of 0.070140. The motion was seconded by Troyce Sturgess. Voting individually in favor of the proposed I&S rate was Tanner Black, Kevin Bunch, Robert de la Cruz, Carla Purcella, Troyce Sturgess and Chris Woodard. Board member Tim Laws was absent.

5. Certification of Unopposed Candidates

Tanner Black made a motion to approve the certification of unopposed candidates. The motion was seconded by Robert de la Cruz. Motion carried.

6. Approval of Minutes

Robert de la Cruz made a motion to approve the June 26, 2025 board minutes. Motion was seconded by Carla Purcella. Motion carried.

7. Chief Executive Officers Report

Provider Recruitment

Dr. Jansen and his wife visited Thursday and Friday to explore housing options, liking two properties and making a contingent offer on one pending his permanent Texas medical license; once he obtains his temporary license, he is expected to start mid-September, with his wife moving later. Dr. Okobi has signed on and is working with a realtor to build a house, planning to arrive in June 2026. The recruiter continues to search for another FP/OB candidate but only wants someone who can start immediately without additional training, as Dr. McCullough will be occupied for about a year training Dr. Okobi. The agreement to proceed with this search was signed near the end of last week.

8. Chief Operating Officer

Introduction of Practical Guidance for Health Care Boards

The Office of Inspector General (OIG) requires hospital governing boards to receive training on compliance. To fulfill this, a 19-page educational compliance tool has been provided for board members to review over the coming month. The material will be revisited at the next board meeting.

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Review and approve compliance policies

Kristin DeLosSantos presented four compliance-related policies that's been drafted and approved by the medical staff. These include policies on HIPAA privacy and security, the overall compliance program, and the compliance hotline, which offers a 24/7 reporting option for fraud, abuse, and discrimination. Additional policies are in development and will be presented along with authorization forms at the next meeting. Tanner Black made a motion to approve the policies presented and with the recommendation of the district. The motion was seconded by Chris Woodard. The motion carried.

9. Medical Staff Report

Candice Smith presented the medical staff report due to Dr. Trevor Rohm being out of the office. The clinic and hospital saw a general decline in several key metrics, including ICU, med-surg, observation hours, patient days, and emergency room visits, with swing bed dropping significantly. Procedures and same-day surgeries decreased, inpatient numbers and radiology procedures experienced slight increases. Ambulance runs remained steady between 150 and 170. In the clinic, overall visits totaled 2,282, with most providers seeing fewer patients except for Dr. Johnson, whose numbers increased following Dr. Davies' departure and patient reassignment. An increase in visits is expected next month due to the typical rise in sick visits after school resumes.

10. Executive Session

At 6:44 pm, Kevin Bunch announced that a closed meeting would be held pursuant to Tex. Gov Code 161.032, Tex. Gov Code 551.071 and Health and Safety Code 161.032 and personal matters. At 6:50 pm, Carla Purcella made a motion to reconvene in open session. The motion was seconded by Troyce Sturgess. Motion carried.

The following action was taken:

Tanner Black made a motion to reappoint, appoint and voluntary resignation the following providers:

July Physician Initial or Reappointment**Provisional Status:**

Al Deen, Mohammed, MD – Hospitalist

El-Aswad, Naim, MD – Emergency Medicine

Lewis, Karyn, DO – OB/GYN (Red Flag)

Temporary Privileges to Extend Radiologists one month

Campin, Richard, MD

Ciszak, Tadeusz, MD

Daniel, Michael, MD

Khu, Richard, MD

Pan, Paul, MD

Pinkston, Robert, MD

Uszynski, Martin, MD

Allied Health Initial or Reappointment**Provisional**

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Covey, Sean, CRNA – Nurse Anesthetist
Yardley, Vanessa, CRNA – Nurse Anesthetist

**August Physician Initial or Reappointment
Provisional Status**

Adham, Walid, MD – Radiologist
Bella, Gasim, DO – Hospitalist
Bigelow, Matthew, MD – Hospitalist
Black, Christopher, MD – Emergency Medicine (Red Flag)

Collins, Shaun, DO - Emergency Medicine
Jansen, Phillip, DO – Family Medicine (contingent upon getting a clear Texas license)

Voluntary Resignations/Do Not Return

Below CRNA group terminated contract:

Cooper, Jordan, CRNA
Gauamis, George, CRNA
Green, Mark, CRNA
Howell, Daniel, CRNA
Klohn, August, CRNA
Marquez, Genaro, CRNA
Schop, Joel, CRNA
Smith, Peggy, CRNA
Woody, Patricia, CRNA

Allied Physician Initial or Reappointment

Pemberton, Katie, NP – Nurse Practitioner
Velarde, Olga, NP – Nurse Practitioner

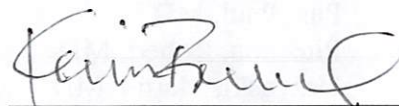
Voluntary Resignations

Jansa, Carolyn, NP – Retired

Robert de la Cruz seconded the motion. Motion passed unanimously.

11. Adjournment

Chris Woodard made a motion to adjourn. Tanner Black seconded. Motion passed unanimously. The meeting adjourned at 6:51 pm.



Kevin Bunch, Board Chairman