



**Minutes of Regular Scheduled Board Meeting
Dawson County Hospital District
October 28, 2025**

Members Present: David Sanderson, Board President Nicky Chapman, Board Secretary
Mike Johnson, Board Member Leslie Hawkins, Board Member

Members Absent: Steven Hatchett, Board Vice-President (voting)

Guests Present: Renae Thomas, President, Thomas & Thomas Financial Management Services;
Brent Fuller, Partner and Certified Public Accountant,
Durbin & Company, LLP; Shonna Cannaday, Partner and
Certified Public Accountant, Durbin & Company, LLP; Aaron Milligan,
Partner and Certified Public Accountant, with Durbin & Company, LLP;
Mary Elizabeth Davis, Reporter for Lamesa Press Reporter; Steve Brock,
resident of Dawson County; Melissa Cazares, resident of Dawson County;
Carter Schildknecht, resident of Dawson County; and Hunter Shofner,
resident of Dawson County

Staff Present: Freddy Olivarez, Chief Executive Officer; Jo Beth Smith,
Chief Operating Officer; Colby Reeves, Chief Financial Officer;
Diane Sherrill, Director of Nursing and Registered Nurse;
Cynthia Maria Vasquez, Human Resources Director; Cody Taggart,
Director of Information Technology; and Sara Del Busto,
Recording Secretary

- 1. Call to Order:** David Sanderson, Board President, called the meeting to order at 8:31 a.m., with the above-mentioned members, staff and guest present.
- 2. Invocation:** The invocation was given by David Sanderson, Board President.
- 3. Pledge of Allegiance:** The pledge of allegiance was given by David Sanderson, Board President.

- 4. Public Comment Session:** The Board of Directors entered Public Comment Session pursuant to the provisions of the Texas Open Meetings Act Government Code Section 551.001(4)(B) at 8:32 a.m.
- A.** The Board of Directors received public comments from the following citizens regarding compliments to the board of directors, administrator, and organization: Carter Schildknecht, and Melissa Casarez.
 - B.** The Board of Directors received no additional public comments.
 - C.** David Sanderson, Board President, adjourned the Public Comment Session at 8:35 a.m.
- 5. New Business:**
- A. Receive and Take Action on Audit Report for year ended March 31, 2023**
– Durbin & Company, LLP.
David Sanderson presented to the board Durbin & Company to present audit reports. Aaron Milligan introduced to the board Brent Fuller, Partner and Certified Public Accountant with Durbin & Company, LLP, and Shonna Cannaday, Partner and Certified Public Accountant with Durbin & Company, LLP. Aaron Milligan presented to the board the audit reports for Dawson County Hospital District for fiscal years ending March 31, 2023 and March 31, 2024. Aaron Milligan presented to the board the summarized financial results of the audit reports in a slide show presentation. Brent Fuller presented to the board the cost report settlement in a slide show presentation. Shonna Cannaday presented to the board the current events in healthcare in a slide show presentation. Shonna Cannaday presented to the board an update on Provider Relief Funds (PRF) and Health Resources and Services Administration (HRSA) audit process and outcomes. Aaron Milligan, Partner and Certified Public Accountant with Durbin & Company, LLP; Brent Fuller, Partner and Certified Public Accountant with Durbin & Company, LLP; and Shonna Cannaday, Partner and Certified Public Accountant, Durbin & Company, LLP facilitated discussion with Freddy Olivarez, Chief Executive Officer; Renae Thomas, President, Thomas & Thomas Financial Management Services; and the Board of Directors on traditional Medicare, Medicare advantage plans, and supplemental plan best options for consumers and reimbursements to healthcare providers; Medicare wellness programs, contracted reimbursement rates, national and hospital reimbursement average for Medicare plans, preauthorization procedures and claim denials for Medicare traditional and advantage management plans, Provider Relief Funds (PRF) investment status, and audit report process and delivery status for year ending March 31, 2025. A motion was made by Mike Johnson to accept the audit report ending in March 31, 2023, and seconded by Leslie Hawkins. Motion carried unanimously.
 - B. Receive and Take Action on Audit Report for year ended March 31, 2024**
– Durbin & Company, LLP.
Aaron Milligan presented to the board the single audit report for Dawson County Hospital District for fiscal year ending March 31, 2024 with the audit report for fiscal year ending March 31, 2023 as presented in Agenda Item 5.A. A motion was made by Leslie Hawkins to accept the March 31, 2024 audit report, and seconded by Mike Johnson. Motion carried unanimously.

6. Old Business: None

7. Consent Agenda:

A. Approval of Minutes: Action will be taken to approve the Regular Scheduled Board Meeting held September 30, 2025.

B. Medical Staff Report:

1. **Receive report from Medical Staff representative.**
2. **Take action on any credentialing recommendations.**

C. Report of Officers and Committees:

1. **Receive and take action on the payments for the month of September 2025 Accounts Payable** – Colby Reeves, Chief Financial Officer.

D. Receive Quarterly Investment Report – Colby Reeves, Chief Financial Officer.

Motion made by Nicky Chapman to approve the Consent Agenda and items on it, and seconded by Mike Johnson. Motion carried unanimously.

8. Administrative Report:

A. Freddy Olivarez, Chief Executive Officer – Freddy Olivarez, Chief Executive Officer presented to the board the following:

1. Freddy Olivarez presented to the board the November 2025 Specialty Annex calendar as provided in the administrative report packet;
2. Freddy Olivarez announced to the board the hospital is hosting Medicare enrollment sessions: Tuesday, October 28, 2025 at 5:30 p.m., Tuesday, November 4, 2025 at 5:30 p.m., and Tuesday, November 11, 2025 at 12:00 noon in the hospital community room. Anacani Garcia, Eligibility Coordinator, will be conducting the sessions and visiting with attendees on Medicare enrollment options;
3. Freddy Olivarez announced to the board that the hospital employee engagement committee is hosting an employee chili cook-off on Thursday, October 30, 2025;
4. Freddy Olivarez presented to the board the district is gearing up for Halloween with a community trick or treat trail at the hospital campus on Friday, October 31, 2025 from 3:30pm to 5:00 p.m. Freddy Olivarez extended an invitation for board members and family to join the event;
5. Freddy Olivarez announced to the board the hospital district will be hosting a thanksgiving meal for employees on Thursday, November 20, 2025. The hospital will also be celebrating National Rural Health Day.

9. Report of Officers and Committees:

A. Receive and take action on the Financial Reports for the month of September 2025 – Colby Reeves, Chief Financial Officer.

Colby Reeves presented the September 2025 financial reports to the board. Colby Reeves, Chief Financial Officer, facilitated discussion with Renae Thomas, President for Thomas & Thomas Financial Management Services, and the Board of Directors on financials, accounts payable, current ratio, and investments. After discussion was held, a motion was made by Nicky Chapman to accept the financials for September of 2025, and seconded by Leslie Hawkins. Motion carried unanimously.

10. Executive Session: Enter into Executive Session pursuant to Texas Health & Safety Code Section: 161.032/records and proceedings of a medical committee or medical peer review committee, reports from compliance officer; and Texas Government Code Sections: 551.074 personnel matters; 551.071/ consultation with attorney regarding legal issues related to personnel.

- A. The Board of Directors of Dawson County Hospital District now convenes in Closed Session the date is October 28, 2025 and the time is 9:42 a.m.
- B. Enter into Executive Session pursuant to the above cited authorities:
 - 1. **Receive Quarterly Compliance Report** – Colby Reeves, Chief Financial Officer and Compliance Officer.
 - 2. **Receive Quarterly Quality Improvement and Risk/Safety Report** – Diane Sherrill, Director of Nursing, Quality Improvement/Risk Management Director and Registered Nurse.
 - 3. **Personnel Matters** – Freddy Olivarez, Chief Executive Officer.
 - 4. **Consultation with Attorney** – Craig Carter, Attorney of Jackson & Carter, PLLC.
 - 5. **Receive information on addendum to Chief Executive Officer agreement** – David Sanderson, President of the Board.
 - 6. **Receive information on the yearly evaluation for Freddy Olivarez, Chief Executive Officer** – David Sanderson, President of the Board.
- C. The Board of Directors of Dawson County Hospital District now adjourns its Closed Session and will return to Open Session. The date is October 28, 2025 and the time is 10:40 a.m.

11. New Business:

- A. **Receive and Take Action on Annual Evaluation of Freddy Olivarez, Chief Executive Officer** – David Sanderson, President of the Board.
David Sanderson presented to the board a deferment on the annual evaluation of Freddy Olivarez, Chief Executive Officer.
- B. **Discuss for Possible Action on Chief Executive Officer Agreement** – David Sanderson, President of the Board.
David Sanderson presented to the board a deferment of action on the Chief Executive Officer agreement.

12. Adjournment: There being no further business, the meeting was adjourned by David Sanderson, President of the Board, at 10:41 a.m.