



**Minutes of Regular Scheduled Board Meeting
Dawson County Hospital District
April 28, 2026**

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: Craig Carter, Attorney for Jackson & Carter, PLLC(via conference call);
Renaë Thomas, President for Thomas & Thomas Financial Management
Services; Mary Elizabeth Davis, Reporter for Lamesa Press Reporter

Staff Present: Freddy Olivarez, Chief Executive Officer; Diane Sherrill, Director of
Nursing and Registered Nurse; Cynthia Maria Vasquez, Human Resources
Director; Starla Sessums, Medical Arts Health Clinic Director; 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 no public comments.
 - B. David Sanderson, Board President, adjourned the Public Comment Session at 8:32 a.m.

5. Old Business:

A. Public Hearing on Proposed Budget of 2026–2027 for Dawson County Hospital District.

I. Call to Order Public Hearing for Proposed Budget of 2026 – 2027 for Dawson County Hospital District: David Sanderson, Board President, called the public hearing to order at 8:32 a.m. with the above-mentioned members, staff, and guest present.

II. Presentation for Proposed Budget of 2026-2027 for Dawson County Hospital District: David Sanderson, Board President, presented to the board Renae Thomas to present the proposed budget for 2026-2027. Renae Thomas presented to the board the final budget for fiscal year 2026–2027 as provided in the board packets. Renae Thomas presented to the board a power point presentation of the budget and detailed presentation of the recap page for the fiscal year 2026–2027 final budget. The board had the opportunity to ask questions. Renae Thomas facilitated discussion between Freddy Olivarez, Chief Executive Officer, and the Board of Directors on the total budget revenue, contractual allowances, inpatient and outpatient services and opportunities, capital budget policy, and budgeted bottom line.

III. Open Discussion for Proposed Budget of 2026 – 2027 for Dawson County Hospital District: The board held an open discussion of the proposed budget of 2026–2027 for Dawson County Hospital District. No action was taken by the board.

IV. Public Comment:

A. David Sanderson, Board President, presented the public with an opportunity to address the board.

B. The Board of Directors received no public comments.

V. Adjournment of Public Hearing for Proposed Budget of 2026-2027 for Dawson County Hospital District: There being no further discussion and no public comment, David Sanderson, Board President, adjourned the public hearing at 8:54 a.m.

B. Receive and Take Action on the Fiscal Year 2026 – 2027 Final Budget – Renae Thomas, Chief Financial Officer.

David Sanderson, Board President, presented to the board the fiscal year 2026-2027 budget provided in the board packets. The board had the opportunity to ask questions. The board held no further discussion. Motion made and amended by Leslie Hawkins to approve the 2026-2027 final budget, and seconded by Mike Johnson. Motion carried unanimously.

6. Consent Agenda:

A. Receive Quarterly Investment Report.

B. Approval of Minutes: Action will be taken to approve the minutes of the Regular Scheduled Board Meeting held March 31, 2026.

C. Medical Staff Report:

1. Receive report from Medical Staff representative.

2. Take action on any credentialing recommendations.

D. Report of Officers and Committees:

1. Receive and take action on the payments for the month of March 2026 Accounts Payable – Renae Thomas, President, Thomas & Thomas Financial Management Services.

E. Medical Staff – Review and Approval of Abbreviation List Amendment – Lorina Gaitan, Health Information Management Director and Medical Staff Coordinator.

Motion made by Nicky Chapman to approve the Consent Agenda, and seconded by Leslie Hawkins. Motion carried unanimously.

7. 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 May 2026 Specialty Annex calendar as presented in the administrative report packet;
2. Freddy Olivarez presented to the board the appreciation note for the sympathy floral arrangement from the family of Mr. Jim Norris;
3. Freddy Olivarez presented to the board the appreciation note for the retirement celebration from Mrs. Jo Beth Smith;
4. Freddy Olivarez presented to the board an invitation to attend the Texas Healthcare Trustees (THT) Healthcare Governance Conference scheduled for June 4, 2026 to June 6, 2026 at the Grand Hyatt San Antonio Riverwalk hotel. Freddy Olivarez presented interested board members may contact Sara Del Busto for registration;
5. Freddy Olivarez presented to the board the tax abatement project between Dawson County and Longview Wind, LLC as presented in the administrative report packet;
6. Freddy Olivarez introduced to the board the new clinic director Mrs. Starla Sessums.

8. Report of Officers and Committees:

A. Receive and take action on the Financial Reports for the month of March 2026 – Renae Thomas, President, Thomas & Thomas Financial Management Services.

Renae Thomas presented the March 2026 financial reports to the board.

Renae Thomas, President, Thomas & Thomas Financial Management Services, facilitated discussion with Freddy Olivarez, Chief Executive Officer, and the Board of Directors about financial investments and financial investment report, prior COVID funding and reclassification of terms with impact to construction project, and classifications listed on financial reports. After discussion was held a motion made by Nicky Chapman to receive the March 2026 financials, and seconded by Mike Johnson. Motion carried unanimously.

9. **Executive Session:** Enter into Executive Session pursuant to Texas Health & Safety Code Sections: 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 April 28, 2026 and the time is 9:28 a.m.
 - B. Enter into Executive Session pursuant to the above cited authorities:
 - 1. **Receive Quarterly Compliance Report.**
 - 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.
 - C. The Board of Directors of Dawson County Hospital District now adjourns its Closed Session and will return to Open Session. The date is April 28, 2026 and the time is 11:03 a.m.

10. Old Business:

- A. **Receive and Take Action to Approve Rural Health Clinic Physician Contracts** – David Sanderson, President of the Board.
David Sanderson presented to the board full-time and part-time rural health clinic physician contracts through the district. A motion was made by Leslie Hawkins to approve the physician contracts, and seconded by Mike Johnson. Motion carried unanimously. The following board members were present and voted in favor to approve the physician contracts through the district: David Sanderson, Board President; Mike Johnson, Board Member, and Leslie Hawkins, Board Member. The following board members were absent from the meeting: Steven Hatchett, Board Vice President; and Nicky Chapman, Board Secretary.
- B. **Receive and Take Action, if necessary, on Annual Re-Authorization of Line of Credit at First United Bank, a financial institution, for Dawson County Hospital District dba Medical Arts Hospital allowing for short term loans when necessary for occurrences such as participation in state and federal funding programs** – David Sanderson, President of the Board.
David Sanderson, Board President, presented to the board the Line of Credit at First United Bank, a financial institution, for Dawson County Hospital District dba Medical Arts Hospital allowing for short term loans when necessary for occurrences such as participation in state and federal funding programs. Freddy Olivarez, Chief Executive Officer, facilitated discussion with the Board of Directors about the line of credit conditions, board pre-approval of extensions of credit/loans, and existing approved resolutions. The board had the opportunity to ask questions. The board held no further discussion. After discussion was held, a motion was made by Mike Johnson to approve the line of credit for First United Bank, and seconded by Leslie Hawkins. Motion carried unanimously.

C. Receive and Take Action on Chief Executive Officer Contract Amendment – Bonus Structure – David Sanderson, President of the Board.

David Sanderson presented a deferment to the board for the Chief Executive Officer contract amendment for bonus structure.

11. Adjournment: There being no further business, the meeting was adjourned by a motion made by Mike Johnson. Mr. David Sanderson, President of the Board, adjourned the meeting at 11:07 a.m.