

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, August 25, 2026
Stillwater Medical Center, Honska Conference Center
5:30 p.m.**

Present: Dan Duncan, Lowell Barto, Gary Clark, Cheryl Wilkinson, Mayor Joyce and Denise Weaver

Absent: Todd Green, MD

Others: Denise Webber, Dr. Steven Cummings, Dr. Mark Paden, Dr. Ted Kaspar, Dr. Don Crawley, Alan Lovelace, Steven Taylor, Kayla Isaacs, Mary Beth Hunziker, Shawn Howard, Michal Shaw, Joe Ogle, Amanda Fox, John Koemel (attorney) and Cheryl Marshall (minutes)

CALL TO ORDER

Chairman, Dan Duncan, called the meeting to order at 5:33 p.m. The members reviewed the Mission, Vision and Values statement included in the packet.

APPROVAL OF MINUTES

Weaver made a motion to approve the July 28, 2026, Board of Trustees minutes, July 15, 2026, Finance Committee minutes, July 20, 2026, Medical Staff Integration Committee minutes as presented. Clark seconded the motion and Barto, Duncan, Wilkinson, Joyce, Clark and Weaver voted in favor of the motion.

BOARD EDUCATION: OHA TRUSTEE CERTIFICATION PROGRAM

CEO Denise Webber informed the Board of a new Oklahoma state statute requiring Public Trust Trustees appointed on or after November 1, 2025, to complete a state-designated trustee certification program. The Oklahoma Hospital Association has developed a Trustee Certification Program to meet this requirement. The members discussed the requirements. Board members reviewed the proposed Orientation and Education for Trustees Policy, which will be presented at a future meeting for Board consideration and approval.

2026 ORGANIZATION PERFORMANCE SCORECARD

Denise Webber shared that our clinicians are balancing the demands of intensive Epic training while continuing to provide exceptional care to our patients. Despite these additional responsibilities, we have maintained a strong overall patient satisfaction rating of 3.7 stars.

**ACCEPTANCE OF REPORTS FROM OFFICERS
AUGUST QUALITY ASSURANCE PERFORMANCE IMPROVEMENT (QAPI)
REPORT**

CAO, Steven Taylor shared the August QAPI Report: The CDB Scorecard continues to perform well overall, with most measures meeting or exceeding national benchmarks. Key improvement efforts remain focused on readmissions, outpatient procedure revisits, and THK complications, with ongoing case reviews and benchmarking activities to identify opportunities for improvement.

Case Management reported strong performance in patient preference documentation (97% compliance) and a reduction in Medicare readmissions from 14% to 13% year-to-date. Efforts continue to improve follow-up care, discharge planning, and support for high-risk patients, including the addition of a community health worker.

ICU continues to address restraint and IV titration documentation compliance through staff education and monitoring. The upcoming Epic implementation is expected to support improved documentation compliance.

Surgery updated its quality metrics to focus on surgical timeout compliance and recovery room narcotic waste documentation, while also evaluating opportunities to standardize staff orientation.

A successful PI project addressing aging instrument labels and contamination concerns was completed, resulting in improved sterile processing workflows and fewer surgical delays.

JULY FINANCIAL REPORT/AUGUST FINANCE COMMITTEE REPORT

CFO, Alan Lovelace, provided a PowerPoint summary of operations for July 2026. He shared that projected expenses are trending higher than budgeted, primarily due to Epic training costs exceeding initial projections. Additionally, health benefit expenses increased during the month, contributing to the overall variance.

Admissions, including rehabilitation, totaled 479 for the month, exceeding the budget of 470 but below 505 recorded during the same period last year. Average Daily Census, including rehabilitation, was 64, compared to a budget of 61 and 61 last year.

Total surgeries for the month were 459, below the budget of 493 and last year's total of 602. Surgeries performed at Surgery Center West totaled 526, below the budget of 645 but above last year's total of 372. Combined surgical volume was 985, slightly above last year's total of 974.

Emergency Department visits were 3,016, exceeding the budget of 2,857 and last year's volume of 2,733. Outpatient visits, excluding Emergency

Department visits, totaled 16,493, above last year's total of 15,946. Clinic visits were 23,850, compared to 26,600 during the same period last year.

There were 66 births during the month, slightly below last year's total of 67. Average Daily Census in the NICU was 3.2, compared to a budget of 4.6. NICU discharges totaled 10, compared to a budget of 12.

Financial assistance provided during the month totaled \$1.2M. Salaries and wages were \$14.425M, above last year's \$14.129M. FTEs totaled 1,676, below the budget of 1,682 and above last year's 1,664. Benefit expense was \$3.7M, exceeding the budget of \$3.1M and last year's \$2.4M.

Consolidated operating income was \$625,000, below the budget of \$1.28M and last year's \$1.2M. Hospital operating income was \$498,000, below the budget of \$1.4M and last year's \$1.7M.

Operating income for Stillwater Medical was \$363,000, below last year's \$1.5M. Operating income for Stillwater Medical Perry was \$1,000, compared to \$108,000 last year. Operating income for Stillwater Medical Blackwell was \$134,000, exceeding the budget of \$19,000 and last year's \$52,000. Operating income for the Clinics was \$127,000, compared to a budgeted loss of (\$182,000) and a prior-year loss of (\$557,000).

Year-to-date hospital operating income was \$11.7M, compared to a budget of \$10.5M and \$9.2M last year. Year-to-date clinic operating income was (\$2.0M), compared to a budgeted loss of (\$1.3M) and a prior-year loss of (\$4.2M). The hospital operating margin was 7.61%, compared to a budget of 6.65% and 6.40% last year. The clinic operating margin was (2.9%), compared to a budgeted (1.8%) and (6.0%) last year.

Year-to-date consolidated operating margin was 4.31%, compared to a budget of 3.96% and 2.71% last year. Year-to-date non-operating revenue was \$3.4M, exceeding the budget of \$1.6M but below last year's \$9.2M. Year-to-date consolidated net income was \$13.1M, above the budget of \$10.8M and below last year's \$14.2M.

The BancFirst investment account increased to \$78.2M and has achieved a 5.89% year-to-date return. The Arvest investment account increased to \$12.46M with a year-to-date return of 7.24%. The Commerce investment account increased to \$27.7M with a year-to-date return of 7.06%. Total consolidated investments for July were \$118.4 million.

Cash collections (A/R only) for July totaled \$31.2M, compared to \$27.9M in 2025. The consolidated net accounts receivable balance was \$51.6M. Cash on hand totaled \$135.6M, compared to \$122.6M at year-end 2025. Days Cash on Hand was 135 in July. A YTD Operating Income Summary vs Budget and Investment Bank Performance was provided.

Lovelace reported that the Finance Committee reviewed the financials and summary of clinic operations. BancFirst presented the investment portfolio. The Committee recommended the Board authorize the liquidation of up to \$22M from investments to provide a cash buffer for the Epic go-live. The Committee recommended Board approval of the revised Return Check policy.

AUGUST FACILITIES COMMITTEE REPORT

CAO, Steven Taylor shared the Orthopedic Center is targeted for completion in December, with consideration of the OR build out on hold. Chiller and air handling unit replacement projects are scheduled to begin in Fall 2026, with temporary equipment in place to maintain operations. The parking lot expansion project continues to progress, which will add 190 new parking spaces. Additionally, plans are underway to modernize the hospital's aging elevator system. Lerch Bates has been engaged to develop project plans and oversee the bidding process.

AUGUST MEDICAL STAFF INTEGRATION COMMITTEE REPORT

Joe Ogle, Director of Physician Recruitment, reported that several new providers are scheduled to begin employment this month. He noted continued progress on the physician onboarding and orientation process and provided an update on current physician recruitment initiatives.

Barto made a motion to accept the standing reports. Joyce seconded the motion, and Duncan, Joyce, Wilkinson, Clark, Barto and Weaver voted in favor of the motion.

APPROVAL OF TEMPORARY PORTFOLIO LIQUIDATION AND VARIANCE TO INVESTMENT POLICY FOR SYSTEM TRANSITION CASH MANAGEMENT

CFO, Alan Lovelace shared that in preparation for the Epic transition and the potential for temporary delays in cash collections following go-live, management is recommending authorization for BancFirst to strategically liquidate up to \$22M from the investment portfolio. Combined with the organization's existing \$8M in cash reserves, these funds would provide sufficient liquidity to support operations and maintain financial stability during any cash flow disruptions that may occur over the next six months.

Barto moved approval to temporarily liquidate \$22M of the portfolio varying from the investment policy for system transition cash management. Clark seconded the motion, and Joyce, Barto, Wilkinson, Duncan, Clark and Weaver voted in favor.

APPROVAL OF ADMINISTRATIVE POLICIES

Webber shared minor changes to the Return Check policy.

Clark moved to approve Administrative Policies as presented. Barto seconded the motion, and Wilkinson, Weaver, Joyce, Barto, Duncan and Clark voted in favor.

ITEMS PREVIOUSLY TABLED: PURCHASE OF MATERIALS MANAGEMENT SUPPLY ROOM SHELVING AND ORGANIZATIONAL SYSTEM

CFO Alan Lovelace shared that we would like to do more research on this item before bringing it back for approval.

Clark made a motion to remove this item from the table. Barto seconded the motion. Clark, Duncan, Weaver, Barto, Joyce, and Wilkinson voted in favor, and the motion carried.

CONSENT AGENDA

The Board reviewed the Stillwater Medical Center and credentialing actions included on the Consent Agenda. All actions listed on the consent agenda were approved through our Medical Staff Committees and recommended for official approval of the Board of Trustees.

The Board members reviewed the following meeting minutes included in their packet prior to the meeting:

Stillwater Medical Center:

<i>Medical Executive Committee</i>	<i>August 12, 2026</i>
<i>Medical Records Committee</i>	<i>August 7, 2026</i>
<i>Surgery Anesthesia Section</i>	<i>July 9, 2026</i>
<i>Peer Review Committee</i>	<i>August 4, 2026</i>
<i>Credentials Committee</i>	<i>August 11, 2026</i>

Weaver made a motion to approve the Consent Agenda. Wilkinson seconded the motion, and Joyce, Duncan, Wilkinson, Clark, Barto and Weaver voted in favor of the motion.

ITEMS REMOVED FROM THE CONSENT AGENDA

No items were removed from the Consent Agenda.

CEO SEARCH UPDATE

Search Committee Chairman, Lowell Barto, reported that the Search Committee conducted three candidate interviews last week. The Committee is encouraged by the quality of candidates presented for consideration. Additional interviews are planned as the search process continues. The full Board will interview the finalists.

CEO REPORT

CEO, Denise Webber shared the following report with the members:

STILLWATER MEDICAL RECEIVES FORBES 2026 AMERICA'S BEST-IN-STATE EMPLOYERS AWARD

Forbes has once again named Stillwater Medical to its list of America's Best Employers by State.

NEWSPRESS BEST OF STILLWATER AWARDS

Stillwater Medical was honored with 15 nominations in the Stillwater NewsPress' Best of Stillwater Awards.

DAISY AWARD WINNER – KESLEY BRANCH, RN

Kesley Branch, RN, was recognized as Stillwater Medical's most recent DAISY Award recipient in honor of her outstanding compassion, clinical excellence, and dedication to patient care.

BEE AWARD HONOREE: KYLEE YOUNG

Kylee Young, CNA Nurse Administration, was recognized as our most recent BEE Award recipient in honor of her exceptional kindness, compassion, flexibility, and willingness to assist wherever needed.

EMPLOYEE OF THE MONTH, AUGUST 2026 – EMILY SHEPHERD

Emily Shepherd, LPN, 3rd floor Medical Unit, was nominated by her peers as the August Employee of the Month.

JAMIE DOBRINSKI RECEIVES THE AIDET ALL-STAR AWARD

Jamie Dobrinski, Exercise Physiologist, Cardiopulmonary Rehab is our recipient of the AIDET All-Star award this quarter.

TEAM APPRECIATION

To show our appreciation for the hard work, dedication, and commitment demonstrated by our team as we prepare for the Epic transition, we provided treats to each of our departments.

BACK-TO-SCHOOL EVENTS

Stillwater Medical participated in back-to-school events in Stillwater and Pawnee, helping provide more than 800 students with the school supplies they needed to start the year ready to learn and succeed.

DRUG DIVERSION, PREVENTION, DETECTION AND RESPONSE

The Diversion Committee met to review the consultant diversion assessment report, address DEA compliance findings, and evaluate progress on corrective actions. Several documentation and registration issues have already been resolved. The committee also reviewed a draft Diversion Committee Charter and discussed strategies to strengthen diversion prevention, regulatory compliance, and oversight.

EPIC UPDATE

Webber shared that we have engaged outside resources to ensure to prepare to the fullest for the implementation.

MEDICAL STAFF UPDATE

Webber shared that the following providers will be beginning employment over the next two months: Gregory Balcerak, DO/Internal Medicine; Meeshal Khan, MD/Rheumatology; and Madalyn Whitmill, DO/Pediatrics.

Webber shared information on LifeCare Health Services being awarded funding through the Oklahoma Rural Health Transformation Program. She further shared a Story of Excellence, Spotlight articles and patient compliments.

EXECUTIVE SESSION

Barto moved the Board convene to Executive Session according to Title 25, Oklahoma Statutes, §307 (B) of the Oklahoma Open Meeting Act for the purpose of discussing the items listed on the agenda. Wilkinson seconded the motion, and Weaver, Clark, Duncan, Barto, Wilkinson and Joyce voted in favor of the motion.

Those present in Executive Session included: Board members, Barto, Duncan, Weaver, Clark, Wilkinson and Joyce; as well as Mark Paden, Medical Staff Representative, Denise Webber, CEO; Joe Ogle, Physician Recruiter and Cheryl Marshall, Executive Assistant.

Clark moved the Board return to Open Session. Barto seconded the motion and Wilkinson, Barto, Duncan, Clark, Joyce and Weaver voted in favor of the motion.

RETURN FROM THE EXECUTIVE SESSION

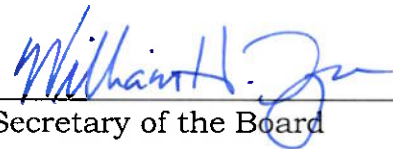
Chairman, Duncan stated that nothing other than what was listed on the agenda had been discussed in Executive Session, and that no votes had been taken.

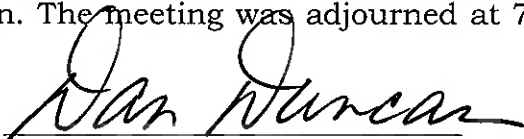
NEW BUSINESS

None.

ADJOURN

There being no further business, Clark moved that the meeting be adjourned. Barto seconded the motion, and Barto, Duncan, Weaver, Clark Joyce and Wilkinson voted in favor of the motion. The meeting was adjourned at 7:12 p.m.


Secretary of the Board


Chairman of the Board

