STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, September 22, 2026
Stillwater Medical Center, Honska Conference Center
5:30 p.m.

Present: Dan Duncan, Lowell Barto, Gary Clark, Mayor Joyce, Denise Weaver and Todd Green, MD

Absent: Cheryl Wilkinson

Others: Denise Webber, Dr. Steven Cummings, Dr. Ted Kaspar, Dr. Don Crawley, Alan Lovelace, Steven Taylor, Kayla Isaacs, Mary Beth Hunziker, Shawn Howard, Michal Shaw, Jovan Smith, Brad Horst, Joe Ogle, 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
Barto made a motion to approve the August 25, 2026, Board of Trustees minutes, August 19, 2026, Finance Committee minutes, August 11, 2026 Facilities Committee minutes, August 17, 2026, Medical Staff Integration Committee minutes as presented. Weaver seconded the motion and Barto, Duncan, Weaver, Joyce, Clark and Green voted in favor of the motion.

BOARD EDUCATION: KARMAN KORNER REACHES NEW MILESTONE
Michal Shaw shared that Karman Korner is nearing a significant milestone, approaching $1 million in patient assistance funded through store proceeds. For 23 years, the program has supported patients with essential needs such as medications, utilities, transportation, medical supplies, and other critical expenses. Shaw highlighted the impact of these funds by sharing the story of a diabetic patient who received a refrigerator helping him safely store medication and improve his quality of life.

2026 ORGANIZATION PERFORMANCE SCORECARD
Denise Webber shared the organization's rankings across each performance category, noting an overall patient satisfaction rating of 3.7 stars.

ACCEPTANCE OF REPORTS FROM OFFICERS
AUGUST FINANCIAL REPORT/SEPTEMBER FINANCE COMMITTEE REPORT
CFO, Alan Lovelace, provided a PowerPoint summary of operations for August 2026. Admissions, including rehabilitation, totaled 534, exceeding both the

budget of 470 and prior-year volume of 481. Average Daily Census, including rehabilitation, was 68, compared to a budget of 66 and 58 during the same period last year.

Hospital surgeries totaled 440, below the budgeted 489 and prior-year of 480. Surgical procedures performed at Surgery Center West were 549, slightly below last year's volume of 553. Combined surgical volume was 989, compared to a budget of 1,230 and 1,033 procedures performed last year.

Emergency Department visits totaled 3,209, exceeding both the budget of 3,057 and last year of 2,926. Outpatient visits, excluding Emergency Department, reached 16,441, surpassing the budget of 15,273 and prior-year volume of 15,584. Clinic visits totaled 24,683, exceeding the budget of 23,309 and slightly below last year's volume of 24,854.

74 births were recorded during the month, below budget of 79, above last year of 65. NICU Average Daily Census was 2.5, compared to a budget of 4.6. NICU discharges totaled 10, compared to a budget of 12 and 7 discharges last year.

Financial assistance provided totaled $810,000. Salaries and wages were $14.3 M, below budget of $14.4M and below prior-year of $14.7M. FTEs were 1,699, compared to a budget of 1,682 and 1,666 last year. Employee benefits expense was $3.2M, exceeding the budget of $3.1M and last year of $2.9M. Consolidated operating income for August was $167,000, compared to a budget of $1.21M and $1.4M in the prior year.

Hospital operating income totaled $173,000, below the budget of $1.3M and last year of $2.6M. Operating income at Stillwater Medical Center was $159,000, compared to a budget of $1.3M and $2.5M last year. Stillwater Medical Perry reported operating income of $4,000, compared to a budget of $37,000 and $64,000 last year. Stillwater Medical Blackwell reported operating income of $9,000, below budget of $15,000 and last year of $54,000. Clinic operations reported an operating loss of $6,000, outperforming the budgeted loss of $172,000 and significantly improved from the prior-year loss of $1.2M.

Year-to-date hospital operating income totaled $11.95M, compared to a budget of $11.92M and $11.96M in the prior year. Year-to-date clinic operating income was a loss of $2.0M, compared to a budgeted loss of $1.4M and a prior-year loss of $5.5M.

The hospital operating margin year-to-date was 6.77%, exceeding budget of 6.59% but below the prior-year margin of 7.12%. The clinic operating margin was (2.5%), compared to a budgeted (1.7%) and (6.8%) last year.

Consolidated year-to-date operating margin was 3.84%, compared to a budget of 3.92% and 2.60% in the prior year. Year-to-date non-operating revenue totaled $4.2M, exceeding the budget of $1.8M but below $11.M reported last

year. Consolidated year-to-date net income was $14.1M, exceeding the budget of $12.3M but below the prior-year total of $17.8M.

The BancFirst investment portfolio increased to $78.82M with a y-t-d return of 5.89%. The Arvest investment portfolio increased to $12.64M with a y-t-d return of 7.24%. The Commerce investment portfolio increased to $28.0M with a y-t-d return of 7.06%. Consolidated investments totaled $119.5M.

Cash collections (AR only) for August were $27.6M, compared to $27.9M during the same period in 2025. Consolidated net accounts receivable totaled $49.6M. Cash on hand increased to $139.8M, compared to $122.6M at year-end 2025. Days Cash on Hand was 140 days. A YTD Operating Income Summary vs Budget and Investment Performance was provided.

Lovelace reminded the Board of the many additional expenses associated with the Epic conversion. BancFirst is working to strategically liquidate the $22M for possible temporary delays.

Lovelace reported that the Finance Committee reviewed the financials and summary of clinic operations. Commerce presented the investment portfolio. The Committee recommended the Board approve the purchase of the daVinci Xi and Specialty Pharmacy construction project.

SEPTEMBER FACILITIES COMMITTEE REPORT

CAO, Steven Taylor shared the Orthopedic Center remains on target for completion in December. Chiller replacement project is scheduled to begin in Fall 2026. The east end of the parking lot expansion will be finished at the end of September. The Specialty Pharmacy license was received last week following a successful inspection. The Committee recommended Board approval of Phase II construction.

SEPTEMBER MEDICAL STAFF INTEGRATION COMMITTEE REPORT

Joe Ogle, Director of Physician Recruitment, shared physician recruitment efforts underway. They continue to refine the physician onboarding process. The residency interviews for the next class will begin in October.

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

APPROVAL OF PURCHASE OF DA VINCI XI

CFO, Alan Lovelace shared that when we purchased the Da Vinci 5 system, we were able to retain the existing Xi model for 12 months under a $400,000 trade-in arrangement to evaluate utilization. During the evaluation period, robotic surgical volume increased by more than 40% with both systems in operation; therefore, we would like to exercise the option to repurchase the Xi system.

Barto moved approval the purchase of the Da Vinci Xi at a total cost of $400,000. Clark seconded the motion, and Weaver, Joyce, Barto, Green, Duncan and Clark voted in favor.

APPROVAL OF SPECIALTY PHARMACY CONSTRUCTION PROJECT

CAO, Steven Taylor reminded the Board of the purchase of the building and noted that Phase I construction has been completed, enabling us to obtain our license. Phase II construction will support accreditation, allowing us to qualify for additional reimbursement. The total construction cost is $439,815, with an estimated return on investment of nine months.

Clark moved approval of Specialty Pharmacy Construction Project at total cost of $439,815. Barto seconded the motion, and Barto, Green, Weaver, Clark, Joyce and Duncan voted in favor.

APPROVAL OF EXCEPTION TO MEDICAL STAFF BYLAW REQUIREMENT

Chairman, Dan Duncan reported that a letter had been received from members of the Medical Staff requesting that the Board grant an exception to the Medical Staff Bylaws for Dr. Jim Melton. The letter was reviewed by the Board members.

Clark moved approval of exemption of Dr. Jim Melton's medical staff requirements. Weaver seconded the motion, and Joyce, Barto, Green, Clark, Duncan and Weaver voted in favor.

APPROVAL OF ADMINISTRATIVE POLICIES

Webber recommended approval of the Orientation and Education Trustee policy reviewed and discussed at the last meeting.

Barto moved acceptance of the Orientation and Education Trustee policy as presented. Clark seconded the motion, and Green, Weaver, Joyce, Barto, Duncan and Clark voted in favor.

CONSENT AGENDA

The Board reviewed the Stillwater Medical Center and Rural Emergency Hospitals (Blackwell and Perry) medical staff policies 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:

Medical Executive Committee	*September 9, 2026*
Peer Review Committee	*September 1, 2026*
OB/Peds Section	*August 25, 2026*

Pharmacy & Therapeutics Cte	*September 4, 2026*
Medicine Section	*August 13, 2026*
Medical Education Committee	*August 19, 2026*
Credentials Committee	*September 8, 2026*
Antimicrobial Stewardship Cte	*August 20, 2026*

Stillwater Medical Blackwell:

Medical Executive Committee	*July 15, 2026*
Patient Safety Quality	*September 9, 2026*
Credentials Committee	*September 16, 2026*
Infection Control	*August 4, 2026*

Stillwater Medical Perry:

Medical Executive Committee	*July 21, 2026*
Credentials Committee	*September 15, 2026*

Barto made a motion to approve the Consent Agenda excluding item B. a. 5. REH Nurse Color-Coded Wristbands. Weaver seconded the motion, and Duncan, Weaver, Clark, Green, Barto and Joyce voted in favor of the motion.

ITEMS REMOVED FROM THE CONSENT AGENDA

The REH Nurse Color-Coded Wristbands policy was removed from the Consent Agenda pending further clarification of the requested workflow revisions.

CEO SEARCH UPDATE

Search Committee Chairman, Lowell Barto, reported that first round interviews are complete. The finalist candidates will next be interviewed by the full Board. Upon completion of those interviews, the Board will hold a final meeting to select the next Chief Executive Officer. The target date for completing the finalist interviews is October 30.

The Board members expressed their appreciation of the Search Committee.

CEO REPORT

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

STILLWATER MEDICAL RECEIVES BEST HOSPITAL AWARD BY US NEWS AND WORLD REPORT

This year's US News & World Report Best Hospitals rankings were released and Stillwater Medical was recognized as one of the nation's best hospital. SMC was also rated high performing in two procedures; Hip Fracture and Knee Replacement.

BEST PLACES AWARDS GALA

Several of our recent Employees of the Month award recipients recently traveled to Houston to attend the Modern Healthcare Best Places to Work annual awards gala.

EMPLOYEE OF THE MONTH, SEPTEMBER 2026 – JILL FARLEY, RPH
Jill Farley, RPh, Pharmacist, was nominated by her peers as the September Employee of the Month.

29TH ANNUAL TIN CUP CLASSIC
The 29th Annual Tin Cup Classic was a record-setting year, raising more than $155,000 for Stillwater Medical's Emergency Department Expansion Project.

UNITED WAY DAY OF CARING
Many teams from across our organization came together to participate in the United Way Day of Caring, demonstrating our shared commitment to serving our community. This the 29th year for Stillwater Medical to sponsor the Day.

PAWNEE COUNTY FAIR
Wendy Madison, APRN-CNP, our provider serving patients in Pawnee and Morrison, donated birds for students to raise and show at the fair. The experience was a big hit with the community.

HAWAIIAN SHIRT DAY
Hawaiian Shirt Days were held August 21 & 22. Team members submitted photos of themselves sporting their favorite tropical attire for a chance to win a prize. It was a fun event for staff.

LEADERS LUNCHEON
In lieu of a full Leadership Development Institute this quarter, Stillwater Medical hosted a Leaders Luncheon on August 27 to ensure our leaders remain focused on preparations for the upcoming Epic EHR transition.

MEDICAL STAFF UPDATE
Josephine Lafferty, OD joined the ophthalmology group in September.

WEBBER ATTENDS STILL WONDER WALK THROUGH
Webber attended Still Wonder's event to raise funds to create a space for a Children's Science Museum downtown.

MAYORAL STATE OF THE CITY
The Stillwater Chamber of Commerce hosted the annual Mayoral State of the City and several SMC leaders were able to attend. It was an informative event highlighting many of the successes of Stillwater.

EPIC UPDATE
With less than 2 weeks until Go Live, we are preparing more and more each day for our conversion. Appointment conversion started on September 17th.

LEGISLATIVE UPDATE
Webber shared the article "New Medicaid Work Requirements Expected to Impact Thousands in Oklahoma" with the members.

NEWSPRESS ARTICLES
Spotlight articles and patient compliments were shared.

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. Joyce seconded the motion, and Weaver, Clark, Joyce, Duncan, Barto and Green voted in favor of the motion.

Those present in Executive Session included: Board members, Barto, Duncan, Weaver, Clark, Green and Joyce; 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 Green, 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, Joyce moved that the meeting be adjourned. Clark seconded the motion, and Barto, Duncan, Weaver, Clark Joyce and Green voted in favor of the motion. The meeting was adjourned at 7:17 p.m.

Dan Duncan
Chairman of the Board

William H. Barto
Secretary of the Board