Freestone Medical Center
Fairfield Hospital District
Board of Directors Meeting
September 24, 2026

The Fairfield Hospital District met on September 24, 2026, in the J.R. Corne Boardroom inside Freestone Medical Center. Board Members in attendance were George Robinson, Vance Oglesbee, Brent Moore, Carman Mannen, Danny Wren, David Lott and Lisa Tate. Others in attendance included Tony Price (FHD Administrator), Melissa Wilson (CEO), Nicki Hagen (CNO), Michael Morgan (CHC), Dr. Darryl White (Chief of Medical Staff), Mathew Janssens (CFO), Lisa Theasmeyer (Admin Assistant).

A. **CALL TO ORDER** - The meeting was called to order at 12:03 p.m. by George Robinson.

B. **INVOCATION** - The invocation was led by Tony Price.

C. **PUBLIC FORUM –**

The Board received an update regarding the previously conducted public hearing concerning the proposed Hospital District tax rate. Administration reported that the September 13 hearing did not satisfy the required ten-day publication period. Based on advice from District legal counsel, the hearing was rescheduled and conducted again to ensure compliance with the applicable notice requirements.

Administration reviewed the history of the Hospital District's financial position and tax rate, including the District's transition to independence in 2017 and the tax-rate election approved by voters in 2020. It was reported that the District has not requested another tax-rate increase since that election and that the effective tax rate has subsequently decreased through tax-rate compression.

Administration reviewed the proposed tax rate and discussed the District's current taxable value, anticipated growth in the tax base, and potential future taxable value associated with area development, including lake development, additional Calpine facilities, and a proposed data center.

The Board discussed the importance of maintaining sufficient revenue to support the continued operation of Freestone Medical Center while recognizing the potential effect of future taxable-value growth on the District's tax rate.

Administration also discussed the District's community education efforts regarding the proposed tax rate, including informational materials, community meetings, an upcoming election forum, the Health Fair, outreach to civic and community organizations, yard signs, billboards, and other educational materials.

The Board discussed the additional homestead exemption available to qualifying individuals age 65 and older and disabled taxpayers and clarified that certain additional exemptions are established by state law and are not within the authority of the Hospital District.

D. **FAIRFIELD HOSPITAL DISTRICT UPDATE –**

Tony Price requested approval of the proposed budget following the public hearing.
A motion was made by Danny Wren to approve the proposed budget and seconded by David Lott. The motion carried.

The Board then considered Resolution No. 2026-09. Upon motion by Vance Ogelsbee, seconded by Brent Moore, the Board approved Resolution No. 2026-09 regarding the proposed new tax rate for tax year of 2026. The motion carried unanimously

E. **COMMUNITY HOSPITAL CORPORATION UPDATE –**

Joe Thompson from CHC presented an educational presentation regarding **Original Medicare and Medicare Advantage plans**.

Joe's presentation addressed Medicare enrollment periods, differences between Original Medicare and Medicare Advantage, supplemental insurance, prescription drug coverage, provider networks, prior authorization requirements, access to care, additional benefits offered by some Medicare Advantage plans, and considerations for individuals choosing between the two types of coverage.

Information was also presented regarding Medicare Advantage enrollment and utilization at the national, state, and Freestone County levels, as well as the potential effect of Medicare Advantage plans on hospital reimbursement, prior authorization, claims, denials, and administrative requirements.

The Board discussed the presentation and asked questions regarding Medicare Advantage plans, special needs plans, dual-eligible beneficiaries, reimbursement to Rural Emergency Hospitals, and related matters.

F. **CONSENT AGENDA –**

The Board reviewed the Consent Agenda, which included the August 27, 2026 Regular Meeting Minutes, Medical Staff credentialing actions as listed on the agenda, and Policies and Procedures as listed. No additional questions or requested modifications were noted. A motion to approve the Consent Agenda as presented was made by Vance Oglesbee and seconded by Brent Moore. Motion carried unanimously.

G. DISCUSSION ITEMS –

Fiscal Year Budget Review - Mathew Janssens, CFO, presented the proposed budget and reviewed the principal assumptions and changes from current operating levels for both the hospital and clinics.

The Board discussed projected hospital volumes, including emergency department activity and observation volumes. The proposed budget assumes growth in observation services and projects an average daily census of approximately five observation patients by the end of the fiscal year.

Melissa Wilson, CEO emphasized that the proposed budget was prepared using conservative operating assumptions and does not include new tax revenue beyond the amount that may be available through the statutory annual increase without voter approval.

The Board was advised that the proposed operating budget does not include certain significant balance-sheet obligations, including an approximately $3 million line-of-credit obligation and additional accounts payable obligations, which will require separate attention.

Additional budget assumptions discussed included:

- Projected surgical and GI volume
- Laboratory volume
- A 3% merit increase for employees
- An estimated 6% increase in benefits
- Nursing staffing levels associated with projected observation volumes
- Reduction in registration staffing
- Reduction in contract labor expense
- Medical supply inflation
- Repairs and maintenance expenses
- Intergovernmental transfer payments
- Clinic provider and professional-fee revenue
- Clinic volume following the closure of the TCA clinic
- Employee health-plan expenses
- Expected stop-loss recoveries under the District's self-insured health plan

Mathew reported that the proposed budget results in approximately **break-even net operating income** and projected EBITDA of approximately **$541,000**.

Following discussion, a motion was made by Vance and seconded by Carman to approve the proposed budget. Motion carried unanimously.

H. REPORTS

CFO – Mathew Janssens provided an update on current revenue and cash-flow matters.

The Board was advised that the District had received notification that Rural Emergency Hospital payments for June, July, and August were scheduled for payment. The anticipated deposit was discussed, along with a Medicare recoupment associated with prior REH payments.

Mathew reported that a financial stabilization grant payment of approximately $180,000 had been received and that approximately $273,000 in Atlas-related payments had been transferred to the District.

The Board discussed outstanding accounts payable, and anticipated additional payments and reimbursements, including pending IGT-related funds and additional Atlas-related payments.

CNO and QA/PI - Reports were included in the Board packet.

Nicki Hagen reviewed clinical operations and quality indicators, including admissions,

observations, emergency department activity, surgeries, Rural Health Clinic visits, mortality data, and quality/compliance activities. She also reported there were no grievances, complaints, or compliance issues for the reporting period.

Current observation volumes were also discussed, along with staffing limitations and the number of patients that could be accommodated based on current staffing levels.

The Board discussed the potential capacity of the hospital to accommodate additional observation patients if staffing were increased and reviewed the availability of additional rooms that could potentially be utilized if necessary.

Melissa Wilson reported that patient feedback regarding the observation program had been positive and that staff had expressed satisfaction with the program.

CEO Comments- A written report was provided in the Board packet.

Melissa Wilson discussed operational matters, including patient and community concerns.

The Board discussed reports of difficulty reaching hospital departments by telephone, delays in obtaining appointments, difficulties contacting billing, and other patient-access concerns.

Melissa acknowledged the concerns and explained that FMC has been evaluating its telephone system and various options for improving call routing and access, including the possibility of a dedicated telephone operator and other changes to telephone pathways.

The Board emphasized the importance of identifying specific patient complaints, including dates, departments, individuals contacted, and other identifying information, so that administration can investigate individual concerns and determine whether broader operational trends exist.

The Board also discussed clinic scheduling and the importance of appropriately addressing patients who need timely appointments.

Melissa reported that department directors and members of the executive team were being involved in efforts to improve telephone access and patient communication.

I. **EXECUTIVE SESSION:** No Executive session was held.

J. ADJOURNMENT - Meeting adjourned at 1:32 p.m.

K. Next Meeting – October 22, 2026, at 12:00 p.m. in the J. R. Corne Board Room in Freestone Medical Center.

George Robinson
FHD Board President

Melissa Wilson
CEO, Freestone Medical Center

FAIRFIELD HOSPITAL DISTRICT

Board Meeting
September 24, 2026

EXHIBIT INDEX

Exhibit	Document
Exhibit A	2026-09 Resolution of Board of Directors Fairfield Hospital District

The documents listed above are maintained with the official minutes of the September 24, 2026 meeting.

2026-09 RESOLUTION OF BOARD OF DIRECTORS OF FAIRFIELD HOSPITAL DISTRICT

The Board of Directors of Fairfield Hospital District hereby adopts the following tax rate for the tax year of 2026: $0.25 on each $100 valuation of all taxable property in the Fairfield Hospital District.

THE TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY **86.12** PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY **$115.67.**

Adopted by the Board of Directors of Fairfield Hospital District this 24th day of September 2026.

President, Board of Directors