REGULAR MEETING OF
THE BOARD OF DIRECTORS
NACOGDOCHES COUNTY HOSPITAL DISTRICT
JULY 28, 2026 @ 5:15 P.M.

Minutes

IN ATTENDANCE:
Philip Blackburn, President
David Schaefer, Vice-President
John McLaren, Secretary
Ahammed Hashim, M.D.
Rikki Leigh Willoughby
Almarie Henderson Shumate
Pamela Wheeler

MEDICAL STAFF:
Ryan Head, M.D.

ALSO IN ATTENDANCE:
Rhonda McCabe, CEO
James Pool, Interim CFO
Lisa Miller, CAPTRUST
Catherine Ellis, CAPTRUST / ZOOM
Michelle Marchionni / ZOOM
Robert Spurck, Legal Counsel / ZOOM
Ella B. Nobles, Operations Manager

1. CALL TO ORDER
Philip Blackburn called the scheduled board meeting to order at 5:19 P.M.

2. WELCOME VISITORS
Philip Blackburn welcomed all the visitors.

3. COMMENTS FROM THE AUDIENCE

Public comments on any topic at regular monthly Board meetings are encouraged. Individuals who wish to speak during the public comment portion of the meeting must sign in before the meeting. **No one signed in to speak.**

4. ADMINISTRATIVE REPORTS – INFORMATION ONLY

4.1 Report From the CEO

Rhonda McCabe, CEO, reviewed the Board calendar for July 2026. She announced that the Retirement Committee Meeting is scheduled for Tuesday, August 11, 2026, at 11:00 p.m. The packets for the Board Election are due back on August 17. If you know anyone who would like to run, please tell them to pick up a packet. The Executive Committee Meeting is scheduled for Tuesday, August 18, 2026, at 1:30 p.m., and the Regular Board Meeting will be held as scheduled on the fourth Tuesday of the month, Tuesday, August 25, 2026, at 5:15 p.m. at the Fredonia Hotel.

Ms. McCabe addressed the Board of Directors, employees, physicians, and community guests and expressed her appreciation for the dedication and service of the employees, physicians, volunteers, and support staff throughout the Hospital's history. She emphasized that the Hospital's legacy has always been defined by the people who served the community and cared for its patients.

Ms. McCabe congratulated the employees for a job well done and recognized their continued commitment to providing quality patient care. She highlighted the Hospital's recent recognition by the American Heart Association, including its prestigious commitment to quality award, noting that the recognition was based on the Hospital's 2025 performance.

Ms. McCabe stated that the Hospital's accomplishments demonstrate that employees continued to improve and provide exceptional care through the transition. She expressed her appreciation to the Board for its leadership and decision-making regarding the Hospital's future and emphasized that the partnership with Tenet Healthcare is intended to preserve the Hospital's legacy and ensure continued access to quality healthcare for the Nacogdoches community.

Ms. McCabe concluded by expressing her gratitude for the opportunity to serve as CEO and stated that, although ownership and the Hospital's name may change, the mission of serving the community will continue.

4.2 Report From CFO

Financial Reports

James Pool, Interim CFO, presented the Financial Report to the Board of Directors. Due to recent changes in budget laws, the presentation of the Financial Report and the Fiscal Year 2027 Budget Hearing will be postponed until the next regular Board meeting in August. This will allow time to include the required property tax information.

5. DISCUSSION AND POSSIBLE BOARD APPROVAL OF CONSENT AGENDA

Any board member may request that any or all items on the consent agenda be removed and considered separately. If no such request is made, all items on the consent agenda may be approved by a single action.

- 5.1 Minutes of June 23, 2026, Regular Board Meeting
- 5.2 CFO Financial Report

David Schaefer made the motion to approve Consent Agenda items 5.1 and 5.2. The motion was seconded by John McLaren, and the board approved.

6. REPORT FROM MEDICAL EXECUTIVE STAFF COMMITTEE REQUIRING DISCUSSION, UPDATE, DELIBERATION, ACTIONS, AND/OR POSSIBLE APPROVAL

6.1 Request for Approval of Medical Staff Appointments and Privileges

Ryan Head, MD, reported that the Medical Staff held its final meeting. During the meeting, the Medical Staff transferred the funds it had collected to the Nacogdoches County Healthcare Foundation, along with several umbrellas.

Dr. Hashim made a motion to approve the Medical Staff report. Almarie Henderson-Shumate seconded the motion, and the Board approved it.

7. DISCUSSION AND POSSIBLE BOARD APPROVAL OF THE INDIGENT CARE SERVICES AGREEMENT. This item will be taken into Executive Session for discussion and consultation with legal counsel.

8. DISCUSSION AND POSSIBLE BOARD APPROVAL OF THE SECOND AMENDMENT TO THE COMPANION AGREEMENT TO THE HOSPITAL FACILITY LEASE AGREEMENT. This item will be taken into Executive Session for discussion and consultation with legal counsel.

Dr. Hashim made a motion to take Items 7. and 8. into Executive Session for further discussion and consultation with legal counsel. The motion was seconded by Rikki Leigh Willoughby and approved by the Board.

9. PRESENTATION TO THE BOARD OF DIRECTORS BY CAPTRUST REGARDING THE RETIREMENT PLAN TPA SELECTION

CAPTRUST presented information to the Board regarding the selection of a new Third-Party Administrator (TPA) for the Retirement Plan. As part of its fiduciary responsibilities, Nacogdoches County Hospital District (NCHD) Management requested that CAPTRUST conduct a Request for Proposal (RFP) process to identify prospective TPA candidates.

The selection process included both NCHD-specific screening criteria and CAPTRUST's screening criteria. Eight organizations were initially identified as eligible candidates, and four organizations responded to the RFP: Empower, Lincoln, Milliman, and Voya.

CAPTRUST presented a comparison of the four responding candidates to the Board. The comparison had previously been presented to the Retirement Committee.

Management and the Retirement Committee recommended a combination-vendor solution consisting of:

- **Nicolay Consulting Group** – Actuarial Services (current vendor)
- **Empower** – Defined Contribution (DC) Plan
- **Milliman** – 401(a) and 457 Plans

The Board received the presentation and recommendation for consideration

10. DISCUSSION AND POSSIBLE BOARD APPROVAL OF THE THIRD-PARTY ADMINISTRATOR (TPA) FOR THE RETIREMENT PLAN

Philip Blackburn made a motion to proceed with the Retirement Plan Committee's and CAPTRUST's recommendation regarding the selection of the Third-Party Administrator (TPA) for the Retirement Plan. The motion also included continuing with Nicolay Consulting Group with no changes. Also, Nova is currently serving as the temporary Third-Party Administrator (TPA) for the Retirement Plan. The Retirement Committee also works with Milliman and Empower as active consulting groups.

The motion was seconded by Pamela Wheeler and approved by the Board.

Let the record reflect that Almarie Henderson-Shumate and David Schaefer recused themselves from the discussion and vote because they participate in the Retirement Plan.

11. DISCUSSION AND APPROVAL OF THE ORDER OF ELECTION FOR THE NACOGDOCHES COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS FOR NOVEMBER 3, 2026

Almarie Henderson-Shumate made a motion to call the election for the Nacogdoches County Hospital District Board of Directors to be held on November 3, 2026. The motion was seconded by Rikki Leigh Willoughby and approved by the Board.

12. CONSIDER, DISCUSS, AND POSSIBLE APPROVAL OF THE RESOLUTION REQUESTING THE UPDATE AND AMENDMENT OF THE DISTRICT'S ENABLING LEGISLATION

Philip Blackburn made a motion to approve and move forward with the Resolution Approving Revisions to the Enabling Act, with reference to Section 1069.211 regarding Economic Development. The discussion clarified that the provision allows an amount not to exceed one-fourth (0.25%) of one percent of the annual sales and use tax received by the District to be allocated for economic development purposes. The motion was seconded by Pamela Wheeler and approved by the Board.

13. THE BOARD WILL MEET IN CLOSED SESSION, AS APPLICABLE, PURSUANT TO:

13.1 Tex. Gov't Code §§ 551.071 and 551.129 (consultation with attorney).

13.2 Tex. Gov't Code § 551.074 (deliberation regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee).

13.3 Tex. Gov't Code §§ 551.076 and 551.089 (deliberation regarding security issues).

13.4 Tex. Gov't Code §§ 551.078 and 551.0785 (deliberation involving confidential patient medical records).

13.5 Tex. Gov't Code § 551.085 (deliberation regarding contract negotiations for services or product lines and relating to a proposed new service or product line).

13.6 Tex. Health & Safety Code §§ 161.031 and 161.032 (disclosure of medical information and peer review).

14. CONVENE TO EXECUTIVE SESSION

The meeting convened in Executive Session at 6:25 p.m.

15. RETURN TO OPEN SESSION

The meeting returned to Open Session at 7:37 p.m. with two items to consider.

Item 7. DISCUSSION AND POSSIBLE BOARD APPROVAL OF THE INDIGENT CARE SERVICES AGREEMENT

David Schaefer made a motion to approve the Indigent Care Services Agreement as presented. The motion was seconded by Dr. Hashim and approved by the Board.

Item 8. DISCUSSION AND POSSIBLE BOARD APPROVAL OF THE SECOND AMENDMENT TO THE COMPANION AGREEMENT TO THE HOSPITAL FACILITY LEASE AGREEMENT

Philip Blackburn made a motion to approve the Second Amendment to the Companion Agreement to the Hospital Facility Lease Agreement, with the provision that the agreement include a reasonable exit clause. The motion was seconded by John McLaren and approved by the Board.

16. BOARD REQUEST FOR NEW INFORMATION AND/OR REPORTS

An individual Board member may request a report or new information at a regular Board meeting by a majority vote of the Board. **No changes were requested or made**.

17. ADJOURNMENT

Rikki Leigh Willoughby moved to adjourn the meeting. Almarie Henderson-Shumate seconded the motion, and the Board approved it.

The meeting adjourned at 7:40 p.m.

Philip Blackburn, President — **John McLaren, Secretary**