

**Heart of the Rockies Regional Medical Center
Board of Directors Meeting
August 25, 2026**

Attendance: Mr. Dean Edwards, Lydia Segal M.D, Mr. Bill Alderton, Dan Wardrop, M.D., Ms. Stacy Osborne. Also in attendance: Mr. John Tucker, CEO; Ms. Aysha Douglas, VP of Finance; Ms. Nika Starr, VP of Patient Services; Ms. Heather Roberts, VP of Provider Services; Ms. Desirae Westphal, VP of Operations; Ms. Sarah McMahon, VP of Human Resources; Taisa Wiedel, M.D., VP for Medical Affairs; Ms. Lezlie Burkley, Foundation Director; Ms. Emily Powell, Legal Counsel. Absent: Joshua Visitacion, M.D. Chief of Staff.

The meeting was called to order at 2:04 P.M.

Board Approval or Amendments to the Agenda:

No amendments to the agenda were proposed.

Public Comment:

None

Consent Agenda:

The Consent Agenda items denoted on the agenda were presented to the Board in written form, including the minutes of the July 28, 2026 meeting.

Director Alderton moved to approve the consent agenda as presented. Director Segal seconded the motion. Motion carried unanimously.

Focus Topic:

There was no Focus Topic for this meeting.

Medical Staff Report:

Dr. Visitacion was absent from the meeting due to previously scheduled travel.

Finance Report: Aysha Douglas, VP of Finance

Aysha presented the July financial report, noting net patient revenue of \$16.1 million, which was \$750,000 favorable to budget. Net operating income totaled \$1.9 million, exceeding budget by \$1.1 million for the month and by \$3.5 million year to date. The report highlighted positive trends in patient visits and inpatient days. It was also noted that funds received through the CHASE program accounted for approximately 61% of net operating income, reflecting strong program performance in June and July. Key Statistics included:

- Net Patient Revenues are \$16.1M for the month compared to the budget of \$15.4M are overbudget by 4.6%. For the year, net patient revenues of \$98.7M compared to the budget of \$100.2M are under budget by 1.5%. Total Net Total Net Revenue as a percent of Gross is 45.7% for the month compared to the budget of 42.1% and is 43.7% for the year compared to the budget of 42.2%.
- Total operating expenses of \$15.0M for the month are favorable to the budget of \$15.2M by 1.1%. Total operating expenses as a percent of gross revenues for the month of 42.8% is unfavorable to the budget of 41.7%. YTD, 43.6% is unfavorable to budget of 43.1%.
- Change in Net Position increased \$2.2M for the month compared to the budget of \$1.1M. Total margin for the month of 12.6% is favorable to the budget of 6.9%. YTD, \$8.0M, exceeds the budget of \$4.5M yielding a total margin of 7.5% on a budget of 4.2%.
- Cash flows increased \$5.1M for the month primarily due to cash provided from operations of \$6.9M offset by capital and construction purchases of \$1.9M.
- Total Days Cash on Hand of 245 increased ten days from the prior month of 235 based on a year-to-date calculation. Cash balances increased 5.0% over the prior month and operating expenses per day (excluding non-cash expenses) increased 2.7%.
- Net Days in Accounts Receivable YTD calculation of 52.6 on a budget of 50.0 has decreased from the prior month of 55.2 and is unfavorable to State and National Metrics which average 47.4.

CEO/Admin Report: John Tucker

Mr. Tucker noted continued progress on the New Market Tax Credit project, including plans to pursue potential investor marketing opportunities.

Updates on physician recruitment included interest from two pulmonologists and an upcoming visit from an oncologist in early September.

Mr. Tucker acknowledged Gerald Adam's contributions to the orthopedic trauma and total joint programs, particularly regarding inventory management and support.

An update was provided on Places to Age, with plans for the Finance Committee to review the organization's business plan and explore potential options for district participation.

Committee Reports

Finance Committee: Stacy Osborne

Director Osborne reported that Aysha provided a thorough report during the Finance Committee meeting. She noted that there were no significant highlights or concerns to report.

Facilities and Strategic Planning Committee: Bill Alderton

Director Alderton reported that exterior framing was 90% complete on the east end addition. Mechanical and electrical work are underway. Cost uncertainty remained regarding tenant finishes, which are pending final FGI review.

A critical generator upgrade had been identified, as the existing generator was undersized by approximately 25%. A change order is required to install a two-megawatt backup generator. A unit meeting the revised specifications has been located and is available for immediate delivery.

The PET scanner project continues to progress, with the modular unit scheduled to arrive September 10 and the scanner to follow shortly thereafter. A two-week period of limited operation is anticipated before the service becomes fully operational on multiple days a week.

The EV charging stations have been installed and are ready for power connection. Communication with Xcel Energy regarding the final connection remains ongoing.

Foundation report: Lezlie Burkley

Lezlie Burkley reported on Foundation activities, including a \$170,000 estimate for new infusion chairs and exam tables for the oncology space, distribution of Jewel Ball raffle tickets, and the Auxiliary's purchase of \$12,000 in minor equipment for various departments.

Items Requiring Board Direction or Action:

Old Business:

Director Edwards proposed changing "even" to "odd" in Article 4, Paragraph 1 of the bylaws to align with recent changes in election years for special districts.

Director Edwards moved to approve the proposed amendment to Article 4, Paragraph 1, of the Board of Directors Bylaws, changing "even" to "odd." Director Osborne seconded the motion. The motion carried unanimously.

Director Alderton moved to adjourn to executive session pursuant to C.R.S. 24-6-402(4)(c) to discuss matters arising under the district's quality management and performance improvement program, as well as peer review of provider performance, both of which are required to be kept confidential by federal or state law, including C.R.S. 25-3-109 and 42 U.S.C. 11101, et seq. and to receive advice of legal counsel pursuant to C.R.S. 24-6-404(4)(b) regarding District sponsorship to include Board members, CEO, VP's, Dr. Visitacion and Emily Powell at 2:42 P.M. Director Osborne seconded the motion. The motion carried Unanimously.

The Board took a short recess at 2:42PM.

The meeting resumed at 2:48 P.M.

The Board reconvened in regular session at 3:30 P.M.

Director Wardrop moved to accept the Medical Staff Credentialing Report, with the revision that Drs. Brookmeyer and Barnett be designated as Provisional/Consulting rather than Provisional/Active staff status. Director Alderton seconded the motion. The motion carried unanimously.

Director Alderton moved to approve the risk management and grievance reports as presented. Director Osborne seconded the motion. Motion carried unanimously.

Adjournment

Director Alderton moved to adjourn the meeting at 3:33 P.M. Director Osborne seconded the motion. The motion carried unanimously.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Stacy Osborne", is written over the typed name.

Stacy Osborne
Secretary-Treasurer