

Meeting Minutes Record

Meeting: Board of Directors - Hybrid: In-Person/Virtual Meeting

Date: April 24, 2025

Location: Virtual Meeting

Start Time: 5:09pm

End Time: 7:36pm

Board Members Present: Michael Hemesath- Board Chair, Robert Morrison- Vice Chair, Sarah Carlsen, Rick Estenson (virtual, non voting this time), Katie Lane, Crystal Mulvihill, Jami Reister, Fred Rogers

Staff Present: Zander Abbott- CEO, Jeff Meland- MD CMO, Jennifer Fischer- MD, Eric Guth- CFO, Lisa Bauer- CNE, Betsy Spethman- Director of Community Relations (virtual), Kelly Lee (Recorder)

Others Present: Teresa Knoedler- Legal Counsel

Guests: Kory Boelter, CLA

Board Members Absent: Jessica Peterson White

Staff Absent: Tammy Hayes- COO, Vern Loughheed- ITS

Others Absent: Ben Martig- City Administrator

Call to Order and Approval of the Agenda

The board meeting was called to order by Michael Hemsath at 5:09 p.m.

Meetings take place in hybrid format. Board members that joined virtually were: None

The locations of board members attending by electronic means were included in the public notice of the meeting.

Items on the consent agenda (available on the portal):

- Meeting minutes (approve)
 - Board meeting (March 27, 2025)
- Meeting minutes (accepted)
 - Quality Committee (March 12, 2025)
- Policies / Forms / Other (accepted)
 - None

Action: Motion was made by Sarah Carlsen and seconded by Katie Lane to approve the agenda and consent agenda as presented. With no board members participating virtually, a roll call was not required. Motion carried.

Follow-up/Resolution: Closed.

Reports

Hospital Chief of Staff Report

Dr. Meland presented the medical staff files in place of Jennifer Fischer. Dr. Fischer joined a bit later. Nothing new shared.

Action: No updates provided

Follow-up/Resolution: Closed.

Approval of Applications for Medical Staff Membership/Privileges

The medical staff applications from the MEC Committee were presented for approval.

Appointments:

- 4369 Telemedicine Teleradiology
- 4370 Telemedicine Tele-Hospitalist
- 4371 Telemedicine Tele-Hospitalist
- 4372 Telemedicine Mental Health
- 4373 Telemedicine Mental Health

Reappointments:

- 4191 Active Orthopedic Surgery
- 4192 AH:I Oncology
- 3745 AH:I Anesthesia
- 3706 Telemedicine Teleradiology
- 3743 AH:I Anesthesia
- 7224 Active Emergency Medicine
- 4072 AH:I Nurse Practitioner- Wound Healing

Request for additional privileges:

- 4238 Affiliate Tele hospitalist
- 4239 Telemedicine Tele hospitalist
- 4241 Telemedicine Tele hospitalist
- 4237 Active Tele hospitalist
- 4227 Active OBGYN

- 4226 AH:I CNM

Action: Motion was made by Crystal Mulvihill and seconded by Robert Morrison approve the medical staff files as presented. With no noted board members participating virtually, a roll call was not required. Motion carried.

Follow-up/Resolution: Closed.

Presentations / Action Items

Annual Audit Report

Zander Abbott, CEO, introduced Korey Boelter, CPA, CLA Principal. Korey met with the Budget & Finance Committee prior to the Board meeting to review the 2024 audit in detail.

The presentation included a high-level executive summary of the audit to the full board.

Results included:

Significant Events and Transactions

- New debt issuance.
- Adopted GASB 101, Compensated Absences, which did not have an impact.

Audit Adjustments

- No audit adjustments proposed; one passed adjustment related to write-off remaining bond refunding loss.

Subsequent Events

- No subsequent events

Internal Controls

- No material weaknesses noted.

Action: The board agrees to accept the audit by recommendation of the budget and finance committee and presented by Korey Boelter of CLA. Fred Rogers made the recommendation which was seconded by Katie Lane.

Follow-up/Resolution: The NH+C audit will be presented at the May 20, 2025 City Council meeting.

Executive and Committee Reports

CEO Report

Zander Abbott, new president and CEO, reported on the following:

Strategic Update:

- Thank you to board members for the great closed session board retreat.
- Revitalize '25 work is being done that will involve improving our performance with patient flow, records and revenue.
- Continue to meet with large employers to access any needs they may have.

Operations:

- Growing clinical services in the Neonatal NP's, Pain management, Urgent care Farmington, and increasing MRI service into evenings.

Policy / Outreach:

- Keeping an eye on current Medicaid bills.

Action: Information only.

Follow-up/Resolution: Closed.

Financial Report

Eric Guth, CFO, presented the March financial report.

March Key Drivers

- Surgeries were 8% under budget
- CCIC procedures 7% under budget
- Rehab services 6% under budget
- Births were 7% above budget

Financial Outcomes:

- Gross Operating Revenues were \$422K under budget.
- Deductions were \$2.4M over budget.
- Net Revenues were \$1.1M under budget.
- Operating expenses were \$363K over budget.
- Net operating loss was \$1.5M.

Action: Information only.

Follow-up/Resolution: Closed.

Verbal Budget & Finance Committee (verbal report)

Fred Rogers provided a brief summary of the most recent Budget & Finance Committee meeting that revolved around the annual audit review.

Action: Information only.

Follow-up/Resolution: Closed.

Roundtable, Announcements and Questions

This will be Robert Morrison's last NH+C Board meeting due to moving out of Northfield. His contributions have been greatly noted and appreciated. He will be missed. He will still be able to participate on the NH+C Foundation.

Action: Information only.

Follow-up/Resolution: Closed.

Closed Session

A brief break was taken prior to the start of Closed session, everyone was excused from the meeting except board members. At 6:34 pm the board went into Closed Session of the NH+C Board pursuant to Minn. Stat. 144.581, subd.5

- Marketing: To discuss marketing activity related to the hospitals competitive position with other health care providers that offer similar services.

Action: A motion was made by Crystal Mulvihill and Robert Morrison to move into Closed Session. Motion carried.

Follow-up/Resolution: Closed.

Adjourn

The meeting was adjourned at 7:36 p.m.

Action: A motion was made by Sarah Carlsen and seconded by Robert Morrison to adjourn the open meeting session. With no board members participating virtually, a roll call was not performed. Motion carried.

Follow-up/Resolution: Closed.