

Meeting Minutes Record

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

Date: January 22, 2026

Location: In Person / Virtual Meeting

Start Time: 5:03 p.m.

End Time: 7:51 p.m.

Board Members Present: Michael Hemesath, Chair, Rick Estenson, Vice-Chair, Sarah Carlsen, Rod Christensen, Katie Lane, Crystal Mulvihill (virtual), Jessica Peterson White, Jamie Reister, Fred Rogers

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

Others Present: Ben Martig- City Administrator, Teresa Knoedler- Legal Counsel (virtual)

Guests: Mayor Erica Zweifel

Board Members Absent: None

Staff Absent: Jennifer Fischer- MD

Others Absent: None

Call to Order and Approval of the Agenda

Board Chair, Michael Hemesath called the meeting to order at 5:03 p.m.

Meetings take place in hybrid format. Board members that joined virtually were: Crystal Mulvihill

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

- Meeting minutes (approve)
 - Board meeting- (12/18/25)
- Committee Meeting minutes (accepted)
 - Budget & Finance (11/12/25)
 - Quality & Safety (12/10/25)
- Policies/Forms/other (accepted)
 - Capital Request: Rooftop Unit (RTU)- Lakeville clinic

Zander Abbott introduced the administration intern, Zach Thomson. Josh Salzman, COO shared the great work that Zach has participated in.

Action: Motion was made by Rick Estenson and seconded by Katie Lane to approve the agenda and consent agenda as presented. Roll call was performed. Motion carried.

Follow-up/Resolution: Closed.

Reports

Hospital Chief of Staff Report

Dr. Jeff Meland, CMO was available for questions in Dr. Jennifer Fischer's absence and presented the medical staff files for approval.

Action: Information only.

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:

- 4401: AH:D, Physician Assistant- Wound Care
- 4402: Affiliate. Internal Medicine-Medical Oncology
- 4403: Active, Internal Medicine- Cardiology
- 4404: Active, Internal Medicine- Cardiology
- 4405: AH:I, Nurse Practitioner- Oncology
- 4409: AH:D, Physician Assistant- Radiology
- 4410: AH:D, Physician Assistant- Radiology
- 4411: Telemedicine, Teleradiology
- 4412: AH:I, Nurse Practitioner- Pathology

Initial Appointments-Allina CMS Streamlined:

- 4406: Telemedicine, Telestroke
- 4407: Telemedicine, Telestroke
- 4408: Telemedicine, Telestroke

Reappointments:

- 3760: Active, Emergency Medicine
- 3939: Active, Pathology
- 3942: Telemedicine, Teleradiology
- 7102: Active, Emergency Medicine
- 4028: AH:D, Physician Assistant Pathology

3553: Telemedicine, Teleradiology
3938: AH:D, Physician Assistant Orthopedics

Action: Information only

Follow-up/Resolution: Closed.

Presentations/Discussions/Action Items

Allina Health Update

Toby Freier, Allina Health VP-Strategic Market Development introduced himself to board while sharing his many years of being a hospital president in New Ulm for Allina Health, and his familiarity and collegial relationships with Northfield Hospital over years. Toby shared his current role, Allina's vision and shared interest in continuing to provide care for the communities that we serve alongside the transition of Allina's Clinic in Northfield to NH+C.

He is grateful to continue to build sustainable healthcare relationships alongside NH+C by partnering to provide exemplary care should patients needs require more in-depth cares or specialists.

The board participated in asking questions.

Action: Information only.

Follow-up/Resolution: Closed.

Executive and Committee Reports

CEO Report

Zander Abbott, CEO, provided updates on the following:

- Katie Lane, board member along with Zander Abbott, CEO and Lisa Bauer, CNE attended the Winter MHA Trustee conference where Lisa presented on a panel addressing workplace violence.
- A year end 2025 Strategic Priority update will be shared at the February board meeting.
- Northfield Allina Clinic transition meetings are going well. Zander is also meeting with community leaders and former board members to help educate the community on what this means for all those we continue to provide care for.

Action: Information only.

Follow-up/Resolution: Closed.

Financial Report

Eric Guth, CFO, presented the financial report.

Key Drivers:

- CCIC procedures were 14% over budget.
- Surgeries were 9% under budget.
- Imaging procedures were 4% over budget.
- ED visits were 9% under budget.
- Births were 5% under budget.

Financial Outcomes:

- Operating income of \$1.1M vs budgeted operating income of \$0.5M, favorable to budget by \$0.6M.
- Volumes are a mixed bag.
- Discount rate favorable to budget.
- Bad debt unfavorable to budget.
- Expenses unfavorable to budget.

Action: Information only.

Follow-up/Resolution: Closed.

2026 Budget

Eric Guth, CFO presented the 2026 Budget with the goal to break even with the operating margin to the board for review and approval. He shared all the work being implemented to continue on this targeted trajectory.

Action: Motion was made by Fred Rogers and seconded by Sarah Carlsen to approve the 2026 Budget as presented. Roll call performed. Motion carried.

Follow-up/Resolution: Closed.

Budget and Finance Committee Verbal Report

Fred Rogers provided a verbal report on the most recent Budget & Finance Committee meeting.

Action: Information only.

Follow-up/Resolution: Closed.

Roundtable, Announcements and Questions

Reminder for board members to give Kelly their COI documents

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 6:27 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 Rick Estenson and seconded by Sarah Carlsen to move into Closed Session. Roll call was performed. Motion carried.

Follow-up/Resolution: Closed.

Adjourn

The meeting was adjourned at 7:51 p.m.

Action: A motion was made by Rick Estenson and seconded by Fred Rogers adjourn the open meeting session. Roll call performed. Motion carried.

Follow-up/Resolution: Closed.