

Meeting Minutes Record

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

Date: April 23, 2026

Location: Northfield Hospital, Meeting Room C

Start Time: 5:05 p.m.

End Time: 8:19 p.m.

Board Members Present: Michael Hemesath, Chair, Rick Estenson, Vice-Chair, Sarah Carlsen (later 5:43 p.m.), Rod Christensen, Katie Lane, Crystal Mulvihill, Jamie Reister, Fred Rogers

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

Others Present: Teresa Knoedler- Legal Counsel

Guests: Dr. Steve Lawler, Genevieve Physician

Board Members Absent: Jessica Peterson White

Staff Absent: Jennifer Fischer- MD, Lisa Bauer- CNE

Others Absent: Ben Martig- City Administrator

Call to Order and Approval of the Agenda

Board Chair, Michael Hemesath called the meeting to order at 5:05 p.m.

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

Following the board meeting, the board will move into closed session pursuant of Minn. Stat. 144.581, subd. 5: Marketing activity related to the Hospital's competitive position with other health care providers that offer similar services and Minn. Stat. 13D.05. 5, subd. 3(a) related to the CEO evaluation.

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

- Meeting minutes (approve)
 - Board meeting (March 12, 2026)
- Committee Meeting minutes (accepted)
 - Budget & Finance (March 17, 2026)
 - Quality & Safety (March 12, 2026)
 - Community Relations (April 7, 2026)
- Policies/Forms/other (accepted)

- CR-Health award recipients

Action: Motion was made by Crystal Mulvihill and seconded by Jami Reister to approve the agenda and consent agenda as presented. Motion carried.

Follow-up/Resolution: Closed.

Reports

Hospital Chief of Staff Report

Dr. Meland presented the medical staff files for approval in Dr. Fischer's absence.

Action: Information only.

Follow-up/Resolution: Closed.

Approval of Applications for Medical Staff Membership/Privileges

The medical staff applications from the Credentials Committee were presented for approval by Dr. Flannery.

Appointments:

- 3444: Telemedicine, Teleradiology
- 4413: AH:I, Radiation Oncology

Reappointments:

- 4287: Active, Radiation Oncology
- 2622: Telemedicine, Teleradiology
- 4137: AH:I, Certified Nurse Midwife
- 4288: AH:D, Radiology
- 3943: Active, OBGYN
- 3844: AH:D, Radiation Oncology
- 4130: Telemedicine, Teleradiology
- 4132: AH:I, Wound Care

Request for Revised Privileges:

- 3750: Active, Family Medicine

Action: Motion was made by Katie Lane and seconded by Rick Estenson. Approve the medical staff files as presented. Motion carried.

Follow-up/Resolution: Closed.

Presentations/Discussions/Action Items

2025 Audit

Eric Guth, CFO, introduced Korey Boelter, CPA, CLA Principal. Korey met with the Budget & Finance Committee prior to the Board meeting to review the 2025 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.

Audit Adjustments

- No audit adjustments proposed; no passed audit adjustments.

Subsequent Events

- No subsequent events

Internal Controls

- No material weaknesses noted.

Action: Motion was made by Fred Rogers and seconded by Michael Hemesath. Accepts these Audit statements as presented. Motion carried.

Follow-up/Resolution: Present at the City Council meeting.

Executive and Committee Reports

CEO Report

Zander Abbott, CEO, reported on the following:

- Provided some updates on the NH+C Jefferson Road Clinic transition.
- The NH+C trauma survey was completed.
- CIN Headwaters-Rural Health Transformation Program grant process has begun.
- Service Line growth: Mayo medical oncology will no longer provide services at NH+C. We are currently finalizing details on how we will be continuing to offer these services in the near future.
- Genevive announced their plan to leave Northfield effective June 2026.
 - Dr. Steve Lawler provided some context and answered questions from the board members.
- Provided the finalized 2026 Strategic Priorities and targets.

Action: Information only.

Follow-up/Resolution: Closed.

Financial Report

Eric Guth, CFO, presented the (month) financial report.

(March) Key Drivers:

- Endo procedures were 32% above budget.
- Clinic visits were 8% over budget.
- ED visits were 7% above budget.
- Surgery cases were on budget.
- Births were 4% under budget.

Financial Outcomes:

February

- Operating loss of \$0.6M vs budgeted operating income of \$0.1M, unfavorable to budget by \$0.6M.
- Volumes were mixed bag.
- Discount rate unfavorable to budget.
- Bad debt on budget.
- Expenses slightly favorable to budget.

March

- Operating loss of \$0.2M vs budgeted operating loss of \$0.9M, favorable to budget by \$0.6M.
- IP volumes down, OP volumes good.
- Discount rate favorable to budget.
- Bad debt unfavorable to budget.
- Expenses slightly unfavorable to budget.

Action: Information only.

Follow-up/Resolution: Closed.

Committee Verbal Reports

None this month.

Action: Information only.

Follow-up/Resolution: Closed.

Roundtable, Announcements and Questions

No comments.

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 6:33 pm the board went into Closed Session of the NH+C Board the board pursuant of Minn. Stat. 144.581, subd. 5: Marketing activity related to the Hospital's competitive position with other health care providers that offer similar services and Minn. Stat. 13D.05. subd. 3(a) related to the CEO evaluation.

Action: A motion was made by Rod Christenson and seconded by Crystel Mulvihill to move into Closed Session. Motion carried.

Follow-up/Resolution: Closed.

Adjourn

The meeting was adjourned at 8:19 p.m.

Action: A motion was made by Sarah Carlsen and seconded by Jami Reister to adjourn the open meeting session. Motion carried.

Follow-up/Resolution: Closed.