North Shore HEALTH
COOK COUNTY | MINNESOTA

COOK COUNTY HOSPITAL DISTRICT

BOARD MINUTES FOR MAY 21, 2026

Call to Order – Randy Wiitala called the meeting of the Cook County Hospital District Board of Directors to order on May 21, 2026 at 9:03 a.m. in the Board Room at North Shore Health.

Recess to Closed Session – Milan Schmidt made a motion to recess into closed session permitted pursuant to Minn. Stat. §145.64 subd. 1(d) to discuss decisions, recommendations, deliberations or documentation of a Review Organization and pursuant to Minn. Stat. § 13D.05, subd. 2 to discuss not public medical data. Steve Frykman seconded the motion and the motion carried unanimously (5-0).

Closed Session Summary – The Quality Improvement/Peer Review Report from April 15, 2026; the Medical Staff Report from April 15, 2026 and the May 20, 2026 Credentials Committee Report were discussed.

Reconvene - The North Shore Health Board reconvened in regular session at 9:34 a.m.

Roll Call
Members Present: Steve Frykman, Milan Schmidt, Sam Usem, Randy Wiitala and Patty Winchell-Dahl

Members Absent:

Others Present: Kimber Wraalstad; Nicole Siegner; Megan Thurston; Brittany Sachdeva; Greg Ruberg; Karen Schultz; Danielle Hefferan; Josh Hinke; Doug Sanders; Mary Sanders; Kay Olson

Mission and Value: Randy Wiitala read the North Shore Health Mission and Value Statements to begin the meeting.

Public Comments: No comments were offered.

Approval of Minutes for April 23, 2026: Dr. Schmidt noted that he made a motion during the March meeting to include on the agenda for the next meeting specifically to discuss financial education and questioned why this item was not included on the agenda. He also commented on his frustration on the way the agenda is managed. Milan Schmidt made a motion to approve the minutes from the April 23, 2026 meeting as distributed and Steve Frykman seconded the motion. The motion carried with a vote of 4-1. (Ayes - Steve Frykman, Milan Schmidt, Randy Wiitala and Patty Winchell-Dahl; Nays - Sam Usem).

Board Presentation – Headwaters Network Update – Brittany Sachdeva, DNP – Cibola Chief Operating Officer

Brittany Sachdeva, DNP, Chief Operating Officer of Cibolo Health, provided an update on the Headwaters High Value Network, a clinically integrated network of 20 independent rural healthcare organizations across Minnesota. Headwaters supports collaboration in quality improvement, value-based care, operational excellence and shared services. Key accomplishments include implementation of network-wide quality initiatives, development of core quality measures, expansion of value-based care education, advancement of population health and data analytics capabilities, and establishment of multiple shared-services partnerships. Ms. Sachdeva also reviewed a proposed Rural Health Transformation Program grant focused on data infrastructure, population health, analytics, and value-based care readiness.

Financial Reports:

- **2025 Financial Audit:** Tyler Johnson of CliftonLarsonAllen (CLA) presented the results of the 2025 financial audit. CLA issued an unmodified audit opinion and reported no material weaknesses, audit adjustments, or significant findings. Financial benchmark data and key performance ratios were reviewed. The audit confirmed that North Shore Health's financial statements are fairly presented and reliable for decision-making purposes.

  a) **Accept 2025 Financial Audit:** Patty Winchell-Dahl moved to accept the 2025 Audited Financial Report. Milan Schmidt seconded the motion. The motion carried unanimously, 5-0.

- **April 2026 Financial Reports:** Nicole Siegner, Chief Financial Officer, presented the April 2026 financial statements. Operating performance exceeded budget expectations despite reporting a net loss for the month. Gross patient service revenue and total operating revenue were above budget, while operating expenses exceeded budgeted amounts. Key financial indicators and year-to-date performance were reviewed. Sam Usem made a motion to accept the April 2026 financial statements. The motion was seconded by Milan Schmidt and the motion carried unanimously, 5-0.

Big Rocks/Strategic Plan Discussion:

The Board reviewed progress on the three strategic priorities:

a. Priority 1 - Establish the most effective and useful strategic partnerships and relationships. Administration presented an analysis of North Shore Health's partnership relationships. Board members discussed partnership categories, reporting refinements, and access to supporting materials. Electronic distribution of Board materials and future secure access options were also discussed.

b. Priority 1A - Electronic Health Record (EHR) platform selection. Administration reported that the Rural Health Transformation Program grant proposal includes information technology enhancements and planning efforts to support a future electronic health record transition.
c. Priority 2 - Attract and retain the best talent and develop succession plans. An update was provided on implementation of the UKG human resources and payroll system, which remains on schedule for a September 2026 launch. Succession planning and leadership development efforts continue through ongoing training and educational initiatives.
d. Priority 3 - Update the safety net plan for the care center. Administration provided an update on ongoing work with state and federal regulators regarding the Care Center. Planning efforts continue to support long-term sustainability and contingency planning options.

Old Business:

a) **Strategic Partnership Discussion:** Mr. Wiitala discussed plans for a facilitated strategic partnership discussion at a future meeting. Matt Anderson will assist in facilitating the conversation. Due to the confidential nature of potential strategic partnerships and related contractual matters, the discussion will occur in closed session. Scheduling options, including a separate meeting dedicated to strategic partnerships, were considered.

Dr. Schmidt expressed concerns regarding several previously discussed topics that have not returned to the Board agenda.

Due to the length of the meeting, Mr. Frykman left the meeting due to scheduling conflicts. A motion to adjourn the meeting was made by Milan Schmidt and seconded by Randy Wiitala. The motion failed with a vote of 2-2. (Ayes - Milan Schmidt and Randy Wiitala. Nays - Sam Usem and Patty Winchell-Dahl). Dr. Schmidt left the meeting at this time. Discussion continued with the remaining items on the agenda.

New Business:

b) **Possible Board Governance Committee Development:** The Board discussed whether the current committee structure adequately supports governance responsibilities and considered the possible formation of a Governance Committee. Potential responsibilities discussed included Board bylaws, Board development, self-assessment, and governance matters. Board members also discussed communication and governance concerns and suggested a future facilitated governance discussion involving the full Board.

Management Report:
The Management Report for May 2026, included in the Board materials, was reviewed. Administration reviewed key operational updates, including development of the Rural Health Transformation Program grant application, recent legislative activity affecting rural healthcare, ongoing Bunkhouse improvement projects, the addition of an orthopedic outreach clinic in partnership with Orthopedic Associates, continued leadership development efforts through the North Shore Health Leadership Academy, recognition of Paramedic Lead Eric Bjugstad for outstanding service, and upcoming Minnesota Hospital Association educational opportunities.

Adjourn:
A motion to adjourn the meeting was made by Patty Winchell-Dahl and seconded by Sam Usem. The motion carried unanimously (3-0).

The next regular meeting will be held on June 18, 2026 in the Board Room at North Shore Health.

The regular meeting adjourned at 1:35 p.m.

Chair **Clerk**