



COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR JANUARY 22, 2026

Call to Order – Randy Wiitala called the meeting of the Cook County Hospital District Board of Directors to order on January 22, 2026 at 9:03 a.m. in the Board Room at North Shore Health.

Recess to Closed Session – Steve Frykman 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; pursuant to Minn. Stat. § 13D.05, subd. 2 to discuss not public medical data and pursuant to Minn. Stat. sec. 13D.05, subdivision 3 (a), to evaluate the performance of the hospital district's CEO/Administrator Kimber L. Wraalstad. Milan Schmidt seconded the motion and the motion carried unanimously.

Closed Session Summary – The Quality Improvement/Peer Review Report from December 17, 2025; the Medical Staff Report from December 17, 2025 and the January 21, 2026 Credentials Committee Report were discussed. Also discussed was the CEO/Administrator's Evaluation.

Reconvene - The North Shore Health Board reconvened in regular session at 9:30 a.m.

Roll Call

Members Present: Steve Frykman, Milan Schmidt, Sam Usem (virtual), Randy Wiitala and Patty Winchell-Dahl

Members Absent: None

Others Present: Kimber Wraalstad, Nicole Siegner, Megan Thurston, Jason Yuhas, Greg Ruberg, Karen Schultz, Danielle Hefferan, Andrea Brobst, Mary Krinkie, Steve Underdahl, Doug Sanders, Mary Sanders, Josh Hinke

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

Public Comments: No comments were offered.
Reorganization Meeting

a. Election of Officers:

- **Chair** – Randy Wiitala was nominated to serve as Board Chair. Randy Wiitala was elected as Board Chair with a vote of 4 to 1 (Sam Usem opposed).
- **Clerk** – Steve Frykman and Sam Usem were nominated to serve as Board Clerk. Mr. Frykman was elected as Board Clerk with a vote of 3 to 2 (Milan Schmidt and Sam Usem opposed).
- **Treasurer** – Patty Winchell-Dahl and Sam Usem were nominated to serve as Treasurer. Ms. Winchell-Dahl was elected as Board Treasurer with a vote of 3 to 2 (Milan Schmidt and Sam Usem opposed).

b. Conflicts of Interest Statements: The 2026 Annual Conflicts of Interest Disclosure Statement was distributed to the Board Members. The Members were asked to complete the statements and return to Ms. Wraalstad to be kept on file. No conflicts were declared.

c. Assignments:

- a. Medical Staff Representation: Dr. Schmidt requested to continue to serve as the liaison for 2026 to the Medical Staff.
- b. Currently, Mr. Frykman attends the Quality Improvement/Peer Review Committee as a Board Liaison. He would like to continue to serve as the liaison for 2026. Mr. Usem also requested to serve as a Board Liaison to the Quality Improvement/Peer Review Committee.

Mr. Wiitala appointed Dr. Schmidt to serve as the Board liaison to the Medical Staff for 2026 and both Mr. Frykman and Mr. Usem to serve as the Board liaison to the Quality Improvement/Peer Review Committee for 2026.

d. Meeting Reimbursement Amounts: The current meeting reimbursement is \$200 per Board meeting for members, \$250 per Board meeting for the board chair and \$100 for attendance and other meetings and educational sessions. It was agreed to continue the same meeting reimbursement amount for Board Members as in 2025 with the mileage reimbursement increasing to the IRS rate of \$0.725 per mile.

e. Delegation to Administrator: The delegation of the responsibility for overall administrative management of North Shore Health to the CEO/Administrator was reviewed. Patty Winchell-Dahl moved to affirm the Cook County Hospital District dba North Shore Health CEO/Administrator Delegation Policy. Steve Frykman seconded the motion and the motion carried unanimously.

Approval of Minutes for December 18, 2025: Patty Winchell-Dahl made a motion to approve the minutes from the December 18, 2025 meeting as distributed and the motion was seconded by Steve Frykman. The motion carried unanimously.

Board Presentation – 2026 Legislative Outlook – Mary Krinkie, Vice President of Government Relations for the Minnesota Hospital Association

Ms. Krinkie has been advocating for Minnesota hospitals for the past 25 years and will be retiring in February prior to the beginning of the Legislative session. At the beginning of her remarks, Ms. Krinkie recognized these are unprecedented times in health care, particularly in Minnesota with the immigration activity. Health care organizations have many legal immigrants who work in our settings. In addition, our organizations are places to provide care and healing. The activity occurring in many of our hospitals is unnerving. The Minnesota Hospital Association has three Pillars: Advocacy, Service and Improvement. Ms. Krinkie shared, in detail, the focus areas of the advocacy initiatives:

- Protecting hospital financing and improving reimbursement
- Developing our health care workforce
- Improving mental health services
- Protecting the 340B outpatient drug program
- Stopping new onerous mandates

Ms. Krinkie thanked North Shore Health for our continued advocacy efforts.

Financial Reports: Nicole Siegner, Chief Financial Officer, presented the December 2025 financial statements. There was a Loss from Operations for the month of December of \$511K, compared to the budgeted Loss from Operations of \$58K. The Statement of Net Position, Statement of Revenues and Expenses and Changes in Net Position were reviewed. Gross Patient Service Revenue of \$2.632M for the month of December was 6.0% higher than budget. Revenues from Outpatient was above budget for the month with Inpatient, Swing Bed, Home Care and Care Center being below budget. Contractual Adjustments and Other Deductions were \$679K compared to the budget of \$377K, an 80% variance. Total Operating Revenue for the month was \$1.974M, a 7.0% variance from budget. Total Operating Expenses of \$2.486M were 14% more than budget. The days cash on hand, debt service coverage ratio, current ratio and payer mix were also reviewed. The Revenue Less Than Expenses is a negative \$359K for the month of December 2025. The Year-to-Date Revenue Less Than Expenses is a negative \$880K compared to the budgeted amount of a negative \$564K and the 2024 amount of a negative \$1.705K. Patty Winchell-Dahl made a motion to accept the December 2025 financial statements. The motion was seconded by Milan Schmidt and the motion carried unanimously.

Old Business:

- 2024 - 2027 Strategic Plan Update:** The Scorecard for the Strategic Priorities #4 Workforce was reviewed including the identified actions and recent accomplishments. Specifically noted was that nine immigration certifications were recently received, continuing to move forward with the immigration program.
- Strategic Planning Meeting Update:** Steve Underdahl presented a summary of the Strategic Planning Meeting. There was agreement that the current strategic plan remains relevant and useful; however, the existing scorecard was noted to be overly complex. The development of a simplified, Board-focused dashboard was identified as a goal. There seemed to be consensus around the following strategic priorities ("Big Rocks"):

- Strategic partnerships/relationships including a dependent co-occurring strategy related to EHR selection
- Talent acquisition/retention and succession planning
- Update the safety net plan for the Care Center

Mr. Underdahl emphasized that the Board should focus on the Big Rocks, not the sand. He noted that it would be beneficial for the Board to determine in advance what information and supporting metrics it wishes to receive and in what format, allowing Board agendas to be structured around the Big Rocks and then draft a Board-oriented dashboard. Mr. Underdahl also encouraged continued board development work, noting that North Shore Health is dependent on the Board's ability to work effectively with one another. He commented that North Shore Health is not only an outstanding organization but a literal safety net for an entire part of the state. Following much discussion, it was agreed that Board members would review Mr. Underdahl's summary and provide feedback by Thursday, January 29. The February Board meeting agenda will include discussion to confirm the Big Rocks that will serve as the focus of the strategic plan. It was further agreed that the current scorecard will no longer be distributed to the Board, with future reporting focused on the agreed-upon strategic priorities.

- c) **MHA Trustee Conference:** Mr. Frykman and Mr. Usem attended the virtual version of the Minnesota Hospital Association Winter Trustee Conference. Both expressed appreciation for the opportunity to participate and noted the value of the sessions, including the presentation by Mary Krinkie. Mr. Frykman highlighted his interest in the presentation on artificial intelligence and its potential applications. Mr. Usem commented that the conference provided useful information and that he appreciated the work by the team at the Minnesota Hospital Association who coordinated the conference.

New Business:

- a) **Audit Engagement Letter:** The engagement letter for the Fiscal Year Ending 2025 financial audit from CliftonLarsonAllen was discussed. The cost of the audit is \$31,500 and it is anticipated that the representatives from CLA will complete their fieldwork virtually during the first two weeks of March. Milan Schmidt made a motion to engage CliftonLarsonAllen to complete the Fiscal Year Ending 2025 financial audit. The motion was seconded by Patty Winchell-Dahl and the motion carried unanimously.
- b) **Bank Designation:** The Board annually designates a financial institution to be used for routine banking actions. The current financial institution used by North Shore Health for the deposits of daily receipts is Grand Marais State Bank. The majority of receipts are received electronically. Security State Bank was helpful in assisting North Shore Health to secure the Paycheck Protection Program loan. As such, Ms. Wraalstad and Ms. Siegner recommended the two banks serve as the designated banks for North Shore Health in 2026. Patty Winchell-Dahl made a motion to use Grand Marais State Bank and Security State Bank as the designated banks for North Shore Health. The motion was seconded by Milan Schmidt and the motion carried unanimously.

- c) **Employee Appreciation:** Ms. Wraalstad reviewed current employee appreciation activities and noted that these initiatives are included in the existing budget. Mr. Usem shared that he would like to propose a complementary, Board-led gesture, such as providing a North Shore Health branded backpack or tote, with an estimated cost of \$4,500–\$5,000. It was also suggested that Board members participate in the Employee BBQ and provide a card signed by all Board members. Dr. Schmidt expressed support for Board member contributions toward an employee appreciation activity. It was agreed that any associated costs would be treated as a Board-approved, non-budgeted expense. Patty Winchell-Dahl made a motion that Board members donate as they are able, commit to participating in the Employee BBQ, and write handwritten notes to employees. The motion was seconded by Milan Schmidt and carried unanimously.

Management Report:

The Management Report for January 2026 included in the Board materials was reviewed. The Pain Management Program has successfully launched with all the equipment and supplies being received. North Shore Health continues to collaborate with the Behavioral Health Team at Sawtooth Mountain Clinic (SMC) to develop a safe, coordinated, and therapeutic mental health crisis response system for patients who present to the Emergency Department, including those requiring hospitalization. North Shore Health completed the final workshop of the Culture Transformation Program with Bill Auxier. The Community Leadership Committee for Cook County met on January 8, 2026, at North Shore Health. Priority topics were reviewed with health care serving as the topic discussed at the meeting. The next meeting of the committee will be held on March 12, 2026, at 5:00 p.m. at Cook County Higher Education. The Minnesota Department of Health has been awarded slightly more than \$193 million for Fiscal Year 2026 through the Rural Health Transformation Program (RHTP) to support rural health care across Minnesota. Over the coming months, funding opportunities are anticipated to be released to advance Minnesota's strategic rural health initiatives, including: community-based preventive care and chronic disease management, recruiting and retaining talent in rural communities, sustaining access to services to keep care closer to home, creating regional care models to improve whole-person health and investing in technology, infrastructure, and collaboration for financial viability. Ms. Wraalstad read a thank you email she received from a health care professional who received care in North Shore Health's Emergency Department. The certificates for Milan Schmidt, Sam Usem and Randy Wiitala recognizing their successful completion of the National Rural Health Association Board Certification program were presented. The meetings dates for 2026 were affirmed as follows:

Thursday, January 22, 2026
Thursday, February 19, 2026
Thursday, March 19, 2026
Thursday, April 23, 2026
Thursday, May 21, 2026
Thursday, June 18, 2026
Thursday, July 23, 2026
Thursday, August 20, 2026
Thursday, September 24, 2026
Thursday, October 22, 2026
Thursday, November 19, 2026
Thursday, December 17, 2026

Adjourn:

Patty Winchell-Dahl moved to reconvene to a closed session for the purpose of discussing the CEO/Administrator's evaluation. Steve Frykman seconded the motion and the meeting returned to closed session at 1:07 p.m.

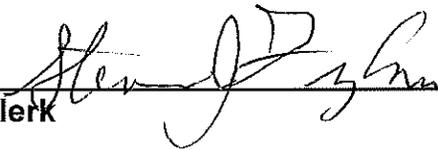
A motion to adjourn the meeting was made by Patty Winchell-Dahl and seconded by Milan Schmidt. The motion carried unanimously.

The next regular meeting will be held on February 19, 2026 in the Board Room at North Shore Health.

The regular meeting adjourned at 1:59 p.m.



Chair



Clerk