



**COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR AUGUST 21, 2025**

Call to Order – Randy Wiitala called the meeting of the Cook County Hospital District Board of Directors to order on August 21, 2025 at 9:00 a.m. at the Schaap Community Center.

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 and pursuant to Minn. Stat. §13D.05, subd. 2 to discuss not public medical data. Milan Schmidt seconded the motion and the motion carried unanimously.

Closed Session Summary – The Quality Improvement/Peer Review Report from July 16, 2025 and the Medical Staff Report from July 16, 2025 and the August 20, 2025 Credentials Committee Report were discussed.

Reconvene - The North Shore Health Board reconvened in regular session at 9:35 a.m.

Roll Call

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

Members Absent: None

Others Present: Kimber Wraalstad; Nicole Siegner; Troy Batchelor; Jason Yuhass; Michele Silence; Greg Ruberg; Todd Severnak, MD; Matt Anderson; Todd Ford; Karen Schultz; Doug Sanders; Mary Sanders; Kay Olson; Josh Hinke; Gerry Gamble; Mary Tank

Approval of Minutes for July 24, 2025 – Patty Winchell-Dahl made a motion to approve the minutes from the July 24, 2025 meeting and the motion was seconded by Milan Schmidt. The motion carried unanimously.

Public Comments: No comments were offered.

Financial Reports: Nicole Siegner, Chief Financial Officer, presented the July 2025 financial statements. There was a Loss from Operations for the month of July of \$391K, compared to

the budgeted Income from Operations of \$37K. The Statement of Net Position, Statement of Revenues and Expenses and Changes in Net Position were reviewed. Gross Patient Service Revenue of \$2.992M for the month of July was 12.0% higher than budget. Revenues from Inpatient and Outpatient were above budget for the month with Swing Bed, Home Care and Care Center being below budget. Contractual Adjustments and Other Deductions were \$963K compared to the budget of \$458K, a 110% variance. Total Operating Revenue for the month was \$2.046M, 8.0% less than budget. Total Operating Expenses of \$2.437M were 11.0% more than budget. The days cash on hand, debt service coverage ratio, current ratio and payer mix were also reviewed. Patty Winchell-Dahl made a motion to accept the July 2025 financial statements. The motion was seconded by Sam Usem and the motion carried unanimously.

Old Business:

- a) **2024 - 2027 Strategic Plan Update:** The Scorecard for the Strategic Priorities #3 – Organizational Health and Viability was reviewed. The areas with actions and accomplishments were briefly reviewed. The actions associated with the prioritized recommendations from the Strategic Financial Operational Assessment (SFOA) were highlighted.

New Business:

- a) **Unbudgeted Capital Request – Radiology Equipment:** The Imaging Department at North Shore Health (NSH) requires replacement of its aging radiographic (x-ray) equipment. Both the in-room and mobile (portable) radiographic systems are at the end of their service life and will soon be ineligible for service agreements. The Portable unit was included in the 2025 capital budget for \$90,000. The replacement of the in-room system was projected for the 2026 budget at \$290,000. Both the in-room and portable systems will bring new and current technologies to North Shore Health that can be used to benefit the providers and patients. An initial budget estimate for replacing both systems separately was \$379,800. NSH applied for and received a \$120,000 Rural Capital Improvement Grant from the Minnesota Department of Health for use in 2025/2026. Replacing both systems at approximately the same time offers significant cost advantages. Proposals were received from four vendors. After evaluation, GE equipment was selected at a combined cost of \$287,524 for both systems. The plan is to install the portable unit first, followed by the in-room system. The in-room radiographic system was not included in the 2025 Capital Budget and the total cost of both pieces of equipment exceeds the \$90,000 budgeted for the portable unit. Thus, this will be an unbudgeted capital expense. Approval to purchase both the in-room and mobile (portable) radiographic systems at a cost of \$287,524 was requested. Patty Winchell-Dahl made a motion to purchase both the in-room and mobile (portable) radiographic systems at a cost of \$287,524. The motion was seconded by Milan Schmidt and the motion carried unanimously.
- b) **2026 Levy Request:** Ms. Siegner reviewed a 2026 pre-budget estimate. Revenue projections are based on annualized 2025 revenues with anticipated increases from higher volumes, new services, and rate adjustments. Contractual adjustments are estimated at 17.2% of revenue, a slight increase from the current forecast. Operating expenses are projected to rise 5–10% across all areas, reflecting both inflation and the cost of adding new services. Cash flow projections included scenarios with \$1.1 million or \$1.4 million in capital expenditures, with levy increase options ranging from 0% to 15%. Ms. Siegner also reviewed levy history from 2011 to 2025, noting an average

annual increase of 6.4% and ten years with no increase. She provided estimated property tax impacts for the various levy options, highlighting the effect of a 12% increase. During discussion, Mr. Usem expressed interest in tabling the levy decision for two weeks to allow additional review. Ms. Winchell-Dahl stated that the Finance Committee looked at a variety of alternatives and compromised with a 12% proposed increase. She did not need additional time to make a decision. Mr. Usem indicated he would recommend a 15% increase. Mr. Frykman and Dr. Schmidt both voiced support for a 15% increase and did not feel a delay was necessary. Mr. Wiitala commented that the levy represents an investment in the community and the organization. Following a lengthy discussion regarding the 2026 levy, Patty Winchell-Dahl made a motion to set the levy with a 15% levy increase at \$2,182,000, a \$284,500 increase from 2025 and the motion was seconded by Randy Wiitala. A roll call vote was taken and the motion carried unanimously. (Ayes - Steve Frykman, Milan Schmidt, Sam Usem, Randy Wiitala and Patty Winchell-Dahl). Mr. Usem encouraged the development of a proactive communication regarding the levy increase.

- c) **Strategic Planning Process and Items for Discussion:** Mr. Wiitala reported that efforts are underway to secure a facilitator and finalize dates for a strategic planning meeting. In preparation for the meeting, he asked Board Members to identify three to five of the most critical issues they believe North Shore Health will face in the next 12 to 18 months. These issues will be prioritized during the session. Mr. Wiitala also encouraged Board Members to consider available resources, organizational capacity, and the feasibility of implementation and sustainability when identifying their priorities. Board Members were asked to submit their input to Ms. Wraalstad by September 19. Once a facilitator is confirmed, the meeting dates will be scheduled.

Board Presentation – Care Center EMR – Point Click Care – Mary Tank, RN – Care Center Assistant Director of Nursing

Ms. Tank explained that healthcare quality ratings are based on information submitted by facilities, state survey results, and resident/family surveys. Prior to the implementation of PointClickCare (PCC), North Shore Health used Meditech, an integrated electronic health record designed primarily for hospitals and billing. While effective in those settings, Meditech was not well suited for long-term care documentation and monitoring. Ms. Tank reviewed the documentation processes previously used with Meditech and then described the transition to PCC. She noted that several vendors were considered and after including front-line staff in the demonstrations and discussion with those who have previously used other long-term care software, PCC was selected. Ms. Tank demonstrated the “Clinical” tab in PCC, highlighting features such as Quick Entry, which allows staff to document information for multiple residents at once (e.g., administering flu vaccines). She also presented the Point of Care module, which captures documentation on activities of daily living, such as dressing, ambulation, eating, bathing and the eMAR (electronic medication administration record), which records medications, treatments, lab draws, and resident-specific instructions. Ms. Tank further demonstrated how to run a variety of reports that support monitoring of resident care. Accurate and consistent documentation is key to maintaining quality ratings from the Centers for Medicare and Medicaid Services (CMS). While North Shore Health is a five-star Nursing Home overall, the facility currently holds two stars in quality. Ms. Tank emphasized that we provide care beyond a two-star level, but much of the rating depends on staff documentation. As staff become more comfortable with PCC, documentation is becoming more consistent and accurate. Ongoing audits will identify areas for additional education, and real-time or next-day training has already been implemented, leading to measurable improvements since PCC’s rollout.

Management Report:

The Management Report for August 2025 included in the Board materials was reviewed. In addition, Ms. Wraalstad presented draft documents prepared by Matt Anderson, including the Board Member Job Description, Expectations of Conduct, and Board Self-Assessment Survey. Mr. Anderson invited Board Members to forward any additional suggested revisions and noted that the documents will be reviewed in greater detail at the September meeting. The Confidentiality Statements were distributed to Board Members for signature. Ms. Wraalstad reported that Troy Batchelor, Hospital Director of Nursing, has announced his resignation effective August 28, 2025. She expressed appreciation for his exceptional service, and Board Members also conveyed their gratitude for his contributions. In response to a question, it was noted that Dr. Bill Auxier will provide an update on the Cultural Transformation work at the November Board Meeting. Regarding a question about the purchase of the Bunkhouse and the development of talking points, Ms. Wraalstad noted that no document has yet been prepared. Following discussion, the Board agreed that requests for talking points or summaries should be clearly specified at the time a decision is made, along with an agreed-upon timeline for completion. This process will allow Management to prepare the expected information and provide it to the Board in a timely manner.

Adjourn:

A motion to adjourn the meeting was made by Milan Schmidt and seconded by Steve Frykman. The motion carried unanimously.

The next regular meeting will be held on September 25, 2025 in the Board Room at North Shore Health in Grand Marais, MN.

The regular meeting adjourned at 12:14 p.m.

Chair

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Clerk

A blue ink signature, likely of the Clerk, written over a horizontal line.