



COOK COUNTY HOSPITAL DISTRICT
BOARD MINUTES FOR DECEMBER 18, 2025

Call to Order – Randy Wiitala called the meeting of the Cook County Hospital District Board of Directors to order on December 18, 2025 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 and pursuant to Minn. Stat. §13D.05, subd. 2 to discuss not public medical data. Patty Winchell-Dahl seconded the motion and the motion carried unanimously.

Closed Session Summary – The Quality Improvement/Peer Review Report from November 19, 2025 and the Medical Staff Report from November 19, 2025 were discussed.

Reconvene - The North Shore Health Board reconvened in regular session at 9:39 a.m.

Roll Call

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

Members Absent: None

Others Present: Kimber Wraalstad; Nicole Siegner; Megan Thurston; Jason Yuhas; Michele Silence; Greg Ruberg; Karen Schultz; Danielle Hefferan; Corrie Searles; Kay Olson; Doug Sanders; Mary Sanders; Josh Hinke; Gerry Gamble

Approval of Minutes for Minutes of November 20, 2025: Patty Winchell-Dahl made a motion to approve the minutes from the November 20, 2025 meeting as distributed and the motion was seconded by Steve Frykman. The motion carried unanimously.

Public Comments: No comments were offered.

Board Presentation – Employee Engagement Survey Review – Corrie Searles, MPT – Rural Wisconsin Health Cooperative

Ms. Searles, Leadership Development Educator, with Rural Wisconsin Health Cooperative, shared the results of the Employee Engagement survey conducted by the Workforce Research Group between August 15 & September 2, 2025. There continued to be excellent participation with 81 of 140, 58% of employees completing the survey. The overall agreement by category was reviewed by Ms. Searles with "Relationship with Your Manager" receiving the highest rating at 85%. Other categories with ratings over 80% included "Core Employee Experience" at 84%, "Your Job" at 85%, and "Diversity and Inclusion" at 81%. "Training, Technology and Development" at 69% and "Leadership of this Organization" at 67% received the lowest ratings. The change between the 2024 to 2025 percent agreement by category and the year-to-year percent improvement was reviewed. Only 4 of 76 questions saw a decline from 2024 to 2025. The overall percent agreement by generation, length of employment, job status, job level and department were reviewed. The highest satisfaction, moderate, low moderate and lowest satisfaction questions were also reviewed.

Strengths highlighted by Ms. Searles included:

- At least 2/3's of all employees are satisfied in all categories.
- Big improvements in Business Office, Facilities & Rehab! Also for Part-time employees and in Clerical, Professional, Service, & Technical roles.
- Significant inter-departmental respect. Staff enjoy their coworkers. They treat each other as family.
- Staff are committed to serving those in their community.
- There's a strong sense of purpose in the valuable services employees offer.
- Employees feel respected by their managers.

Opportunities included the following:

- Explore drops in Gen Z employees, those with >10 years of employment, in Technician roles. Hospital, Administration, & Ambulance employees need additional focus.
- Continued efforts in organizational leadership communication, such as change communications, hiring decisions, & financial updates. Provide transparency & timeliness of communication.
- Need to strengthen culture of appreciation & responsiveness to ideas.
- Technology & software upgrades desired.
- Understand workload & staffing concerns. Address efficiency opportunities.
- Promote skill development & growth.

This information has been shared with employees during three different sessions and a working session was held with Department Leaders. The Department Leaders are in the process of developing a shared action plan for Leadership in addition to their department specific action plans. Leaders are now meeting with their teams to engage employees to help design and implement meaningful, relevant action plans related to 2 – 3 focus areas. Ms. Searles will be participating in follow-up on February 24. At that time, Department Leaders will share highlights of departmental action plans, celebrate progress made and/or identify hindrances to progress and continue efforts towards leadership action plans. The employee engagement surveys will continue to be

conducted annually to track progress and continue the improvements made. Ms. Searles thanked the Board for the opportunity to continue to work with North Shore Health and congratulated the organization on the amazing improvements in all areas, particularly in areas of focus from last year.

Financial Reports: Nicole Siegner, Chief Financial Officer, presented the November 2025 financial statements. There was a Loss from Operations for the month of November of \$275K, compared to the budgeted Loss from Operations of \$261K. The Statement of Net Position, Statement of Revenues and Expenses and Changes in Net Position were reviewed. Gross Patient Service Revenue of \$2.523M for the month of November 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 \$445K compared to the budget of \$334K, a 33% variance. Total Operating Revenue for the month was \$2.084M, 8.0% variance from budget. Total Operating Expenses of \$2.359M were 5.7% 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 \$105K for the month of November 2025. The Year-to-Date Revenue Less Than Expenses is a negative \$521K compared to the budgeted amount of a negative \$635K. Steve Frykman made a motion to accept the November 2025 financial statements. The motion was seconded by Patty Winchell-Dahl 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 including the identified actions and recent accomplishments. It was requested that more detail regarding the SFOA initiatives be included in future updates.
- b) **Strategic Planning Meeting Update:** Mr. Wiitala reported that Mr. Underdahl is currently developing the summary and identifying the agreed upon priorities (i.e. big rocks) for 2026 for review at a future meeting.
- c) **Bill Auxier Presentation Follow Up:** Mr. Auxier sent an email providing a summary of his presentation as the audio during the meeting was difficult. He feels the Leadership Team is making excellent progress transforming the culture of North Shore Health. In response to the question about how the Board can support the Cultural Transformation Program, Mr. Auxier provided three points:
 - First, the Board can make the biggest impact by leading by example. Organizational culture is key to a rural hospital's success, and that starts at the top with leadership. The formula for cultural transformation we use is Trust + Respect + A Common Goal = Anything is Possible. The more the Board can lead by example exemplifying trust for each other, respect for each other, and a dedication to the mission of the hospital, the better the board will be able to influence the culture of North Shore Health.
 - Second, it is essential for Board members to be focused on governance, not operations. It would not be appropriate for a board member to engage in the cultural transformation program with employees.

- Third, is the importance of the board talking with one voice. There may be disagreements within a board meeting, however, what the board decides requires that all board members speak with the same voice once that decision has been made. Even those who may not have agreed with the decision that was made. Speaking publicly with one voice is another way of leading by example.

New Business:

a) Budget Presentation

- **2026 Capital Budget:** Ms. Siegner presented the proposed 2026 Capital Budget of \$1,234,051. Several of the items proposed for the 2026 Capital Budget were highlighted by Ms. Siegner. She also noted that the 2025 capital purchases are estimated to be \$1,216,253 compared to the Budget and Board approved items of \$1,642,422. Patty Winchell-Dahl moved the adoption of the 2026 Capital Budget as presented. The motion was seconded by Sam Usem and the motion carried unanimously.
- **2026 Operating Budget:** The 2026 Volume and Statistics Budget; FTE budget by Department; Operating Budget; Gross Revenue by department, Patient Type and Payor; Contractual Adjustments by Payor; Expense by Department and Type; and Cash Requirements were reviewed in detail by Ms. Siegner. The budgeted Total Patient Revenue is \$32.296M with Deductions from Revenue budgeted to be \$5.698M. Operating Expenses are budgeted at \$29.162M resulting in a Net Operating Loss of \$2.377M. After Non-operating Expenses of \$2.085, the Net Operating Loss is budgeted to be \$292K. Ms. Siegner also reviewed the Board expenses from 2024 and 2025 with the amount projected for 2026. Steve Frykman moved the adoption of the 2026 Operating Budget as presented. The motion was seconded by Patty Winchell-Dahl and the motion carried unanimously.

Management Report:

The Management Report for December 2025 included in the Board materials was reviewed. The Minnesota Department of Human Services (DHS) submitted the State Plan Amendment to the Centers for Medicare & Medicaid Services (CMS) on November 25, 2025. DHS has stated that CMS generally schedules an initial call within 15 days of the submission and then has 90 days to approve, deny, or initiate a Request for Additional Information (RAI). If no action is taken within the 90-day window, the submission is deemed to be approved. North Shore Health has received the property, inland marine, boiler & machinery, and auto insurance renewal with Travelers Insurance Company, effective January 1, 2026. The renewal rate had a 0.84% increase. The property premium increased 1.8% with the replacement value increasing almost \$2M and the addition of the property at 120 West Second Street. The inland marine stayed flat, the boiler & machinery increased 10.9%, and auto decreased 5.7%. The coverage and deductible amounts remained the same. A summary of the discussion at the Community Leadership Group meeting held in November was reviewed. North Shore Health has volunteered to host the next meeting of the Community Leadership Group on January 8, 2026, at 5:00 p.m. in the Multi-Purpose Room. North Shore Health achieved a major milestone with the successful migration of the Meditech Electronic

Medical Record (EMR) servers from Aspirus St. Luke's to Tegria. The cutover occurred on December 11 with the servers taken offline at 8:00 p.m. on December 10 and restored by 5:30 a.m. the following morning. This was a complex project that went relatively smoothly. Most important, team members maintained timely access to Meditech to support patient care. Minor issues, such as printer connections and integration with Omnicell and Dragon, were identified and resolved. The project teams from Tegria, Meditech, Aspirus St. Luke's, and North Shore Health provided excellent collaboration and support. Special recognition was extended to Gregory Johnson for his leadership and effort throughout this project. Information was provided with the Board materials about the Rural Health Transformation Program (RHTP). RHTP is a federal initiative established under the OB3 legislation and administered by the Centers for Medicare & Medicaid Services (CMS) to strengthen rural healthcare access, quality, and long-term viability. Minnesota submitted its application with five Strategic Initiatives. North Shore Health has submitted a grant application to the Minnesota Department of Health for a Capital Improvement Grant. A request has been made for \$125,000 to be used toward the purchase of endoscopy equipment. The grant announcements are expected in May 2026. The tentative meetings dates for 2026 were reviewed. Board meetings are routinely held on the second to the last Thursday of the month. Two dates are likely to be changed, the meeting in September and the meeting December. Mr. Usem asked about the status of renovations of the Bunkhouse. It was agreed that as renovations are made, updates will be provided to the Board.

Adjourn:


Mr. Wiitala expressed appreciation to the Board Members and the Leadership Team for their dedication and work throughout 2025. He acknowledged the challenges and accomplishments of the year and thanked everyone for their commitment to the organization's mission and those we serve. Mr. Wiitala then wished everyone Happy Holidays.

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

The next regular meeting will be held on January 22, 2026 in the Board Room at North Shore Health.

The regular meeting adjourned at 11:50 a.m.


Chair


Clerk

