



~Approved 2/27/2024~

Regular Board Meeting

Tuesday, January 30, 2024

9:00 a.m.

Board Room & Microsoft Teams Conference Call

Board Members Present:

Clint Cook – Bigfork Township
Greg Cook – Koochiching County Unorganized
Gary Erickson – City of Bigfork
Kurt Fredrickson – Stokes Township
Carol Gilbertson – Itasca County At-Large
Tom LaMont – City of Effie
Gordon Rahier – Pomroy Township
Larry Salmela – Carpenter Township
Sally Sedgwick – Wirt Township
Dan Sursely – City of Big Falls
Heidi Watson – Koochiching County At-Large

Board Members Remote:

Teresa Kittridge – Marcell Township
Marie Lovdahl – Itasca County Unorganized

Board Members Absent:

None.

Staff Members: Darla Anderson, Dr. Ed Anderson, Jessica Anderson, Rob Anderson, Courtney Becker, Nelly Becker, Samantha Beckner, Heather Boessel, Annette Buckingham, Kyle Buckingham, Alex Cleath, Sara Elioff, Jeff Fontana, Drew Francisco, Katie Gilbertson, Dawn Jourdan, Vance Koppelman, Amanda Niemala, Stephen Pater, Heidi Powell, Jennifer Rissanen, Londa Storlie, Renee Tower

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Others: Ellen Bomstad, Bryan Boone, LaDonna Cole, Chad Fullmer, Dan Heinecke, Jack Hillstrom, Dawn Kern, Bonnie Lovdahl, Connie Lovdahl, Tracy Lovdahl, Bruce Sampson, Roy Scherer, Valerie Trujillo, Christopher Virta

Chairman Clint Cook called the regular monthly board meeting to order at 9:02 a.m.

The meeting opened with prayer.

I. Community Comments

Chad Fullmer was introduced as a potential applicant for the CEO position. Chad Fullmer provided a brief overview of his background and experience.

The deadline for accepting CEO applications was December 15, 2023.

Connie Lovdahl, community member, expressed concern with the following: nursing home, adult day stay closure, home care closure, bus services, gift shop closure, pharmacy being closed on Saturdays, the board not voting to close these services, Jeff Temple leaving, transparency with the community, and not responding to community questions and concerns.

The interim CEO offered to have a conversation with Connie about the concerns.

II. Approval of Agenda

A **motion** to approve the agenda as presented was made by Larry Salmela, seconded by Carol Gilbertson. The motion passed unanimously.

III. Approval of Regular Board Meeting Minutes 12/19/2023

A **motion** to approve the December 19, 2023, Regular Board meeting minutes as presented was made by Dan Sursely, seconded by Tom LaMont. The motion passed unanimously.

IV. Approval of Special Board Meeting Minutes 12/29/23, 1/5/24, 1/16/24

Sally Sedgwick requested that the January 5 and 16 meeting minutes be amended to note that she was conducting facility tours with CEO candidates during a portion of those meetings.

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A **motion** to approve the December 29, January 5 and 16, Special Board meeting minutes as amended was made by Carol Gilbertson, seconded by Heidi Watson. The motion passed unanimously.

V. Acceptance of Medical Staff Meeting Minutes

A **motion** to accept the November 15, 2023, Medical Staff meeting minutes was made by Greg Cook, seconded by Gary Erickson. The motion passed unanimously.

VI. Information, Discussion and/or Action

Christopher Virta, the board's new attorney, was introduced.

A. Finance Committee Report

The Finance Committee meeting was held on Tuesday, January 23.

B. Financials

Darla Anderson presented the preliminary (unaudited) financials and accounts payable for December 2023.

A **motion** to add "Lab Billing Education" to February's Regular Board meeting agenda was made by Gary Erickson, seconded by Gordon Rahier. The motion passed unanimously.

A **motion** to accept the preliminary financial report for the month of December was provided by the Finance Committee, seconded by Heidi Watson. The motion passed unanimously.

C. Accounts Payable

A **motion** to ratify the accounts payable for the month of December was made by the Finance Committee, seconded by Kurt Fredrickson. The motion passed unanimously.

D. Credentialing

Dr. Ed Anderson presented the following credentialing applications for consideration:

Privileges with a 6-month provisional status:

- Nicholas Cooley, MD (Locum)
- Walter Davis Merritt, MD (Otolaryngology)

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- Brigid Pajunen, MD (Locum)

Privileges without a provisional status:

- Steven Vanderwerf, MD (Pathology)

Medial Staff Reappointments for 2024-2025

- Germaine Cheslock, OD (Optometrist)
- Gina Pettinari, CRNA
- Aspan Ohson, MD (vRad)

Greg Cook made a **motion** to accept the applications as presented, seconded by Gary Erickson. The motion passed unanimously.

E. **Select CEO**

Each board member shared their perspectives about CEO candidates Nathan Hough and Lorenzo Suter.

There was discussion regarding the voting process.

Marie Lovdahl exited the meeting at 10:35 a.m.

A **motion** to accept Marie Lovdahl's vote via text message was made by Carol Gilbertson, seconded by Heidi Watson. The motion passed unanimously.

After discussion, the board then voted by ballot. Nathan Hough received nine votes and Lorenzo Suter received two votes. Two board members wrote "present" on the ballot and did not vote for either candidate.

It was noted that the board authorized the board chair to negotiate a performance package (salary/bonuses) with a maximum amount of \$300,000 at the December 29, 2023, Special Board meeting.

Sally Sedgwick made a **motion** to authorize the board chair in conjunction with HR and Riam Recruiting to negotiate a salary package and an offer to Nathan Hough contingent on a successful background check, seconded by Tom LaMont. The motion passed with 11 in favor and one opposed.

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Larry Salmela made a **motion** to extend the same offer to Lorenzo Sutter if Nathan Hough does not accept the offer, seconded by Heidi Watson. The motion passed with nine in favor and three opposed.

Gary Erickson made a **motion** that the offer letter be presented to the full board for consideration. After discussion, Gary withdrew his motion.

Clint Cook will work with attorney Chris Virta to draft a CEO agreement. The agreement will be presented to the full board for consideration.

A **motion** to offer a \$10,000 relocation allowance was made by Gary Erickson, seconded by Gordon Rahier. The motion passed with 10 in favor and two opposed.

It was noted that paid time off (PTO) and benefits should not be considered part of the salary package, but part of the offer.

F. Employee Relations Issue

Clint Cook reported that he spoke with attorney Grant Collins and those involved, and they agreed to drop the employee relations issue and move forward.

Gary Erickson stated that before he will let it go, he wants an opportunity to confer with attorney Chris Virta about the issue.

Clint Cook recommended that a motion be made to authorize Gary's request to confer with the attorney. No motion was made to move forward with the request.

Gary stated that as a board member he is entitled to be protected and indemnified.

Attorney Chris Virta will look into board indemnification.

Gary Erickson exited the meeting at 11:28 a.m.

The meeting recessed at 11:28 a.m. and reconvened at 12:00 p.m.

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G. NIECI/MN Power Update

Drew Francisco reported that he had preliminary conversations with Brad Dolinski and Jerry Loney from North Itasca Electric Cooperative (NIECI) about the possibility of Bigfork Valley switching from Minnesota Power to NIECI. There is the potential for Bigfork Valley and the City of Bigfork to get reduced power rates.

Larry Salmela reported that Minnesota Power owns the distribution system in the City of Bigfork.

The consensus was to authorize Drew Francisco to continue to explore the opportunity to switch from Minnesota Power to NIECI.

H. Bigfork School Maintenance Support

Drew Francisco reported that he met with Ken Decoster, principal at Bigfork School, to discuss the possibility of contracting the school's maintenance with Bigfork Valley.

After discussion, a **motion** to authorize Drew Francisco to continue to explore contracting maintenance services with the Bigfork School was made by Dan Sursely, seconded by Heidi Watson. The motion passed unanimously. The contract will be presented to the full board before moving forward.

I. Governance Committee Report

Carol Gilbertson provided an overview of the Governance Committee meeting that was held on Tuesday, January 23.

The next meeting is scheduled for Tuesday, February 20.

J. Appoint Committee Members

Executive Evaluation and Compensation Committee

1. Clint Cook (Chair)
2. Teresa Kittridge (Secretary)
3. Larry Salmela (Treasurer)
4. Heidi Watson (Vice Chair)

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Governance Committee

1. Clint Cook (Chair)
2. Carol Gilbertson
3. Marie Lovdahl
4. Sally Sedgwick
5. Dan Sursely
6. Heidi Watson

Finance Committee

1. Kurt Fredrickson
2. Carol Gilbertson
3. Teresa Kittridge
4. Marie Lovdahl
5. Gordon Rahier
6. Larry Salmela (Chair)

Personnel Committee

Ad hoc committee members will be appointed as necessary.

Legislative Education Committee

1. Kurt Fredrickson
2. Teresa Kittridge (Chair)
3. Marie Lovdahl
4. Larry Salmela
5. Heidi Watson

Recruitment Committee

1. Clint Cook
2. Greg Cook
3. Gary Erickson
4. Carol Gilbertson (Chair)
5. Sally Sedgwick
6. Dan Sursely

Strategic Planning Project Committee

Ad hoc committee members will be appointed as necessary.

A **motion** to accept the appointments was made by Dan Sursely, seconded by Greg Cook. The motion passed unanimously.

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K. Department Introduction – Lab

Vance Koppelman provided a PowerPoint presentation about the Bigfork Valley laboratory.

Vance and Darla will explore becoming a Department of Transportation certified laboratory.

Attorney Christopher Virta exited the meeting at 12:54 p.m.

L. Strategic Planning Facilitation Proposals

Whitecap Health Advisors and Robert Stevens submitted strategic planning proposals.

Whitecap's fee for strategic planning services is \$125,000 and Robert Stevens' fee is \$30,000.

After discussion, a **motion** to select Robert Stevens' proposal in the amount of \$30,000 was made by Heidi Watson, seconded by Sally Sedgwick. The motion passed unanimously.

If Bigfork Valley is not awarded the MDH Rural Hospital Planning and Transition Grant, the selection will be reassessed. The maximum grant award is \$45,000 and requires a 50% match.

M. Interim CEO Report

Darla Anderson reported that Congressman Pete Stauber and Commissioner Terry Snyder visited the facility on January 24. The facility is allowed to lobby, it just cannot be its main mission.

As requested, the projected internal laundry service proforma was included in board packets. The laundromat is scheduled to begin operations mid-February.

Kevin Boerboom will be providing support to the Finance Department.

Jessica Anderson provided an overview of the nursing home referral, admission, and wait list process. There are 18 individuals on the wait list. The nursing home census is currently at 17.

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Department managers have been asked to set goals (customer, quality and financial focused).

Darla met with the Minnesota High Value Network, Cibolo, and they are looking for a commitment for Phase 1. The network includes 15 to 16 rural hospitals in Minnesota and is designed to strengthen availability, affordability, and quality of care in rural communities. The fee per member for Phase 1 is \$10,000 - \$15,000 with a timeline of 3 - 4 months. Cibolo is similar to the Rough Rider Network out of North Dakota.

There was concern about committing to Phase 1 before the new CEO arrives.

Kurt Fredrickson made a **motion** to pursue the Minnesota High Value Network and to make a decision to sign up for Phase 1 by March 1, seconded by Gordon Rahier. The motion passed unanimously.

Nate White will be invited to provide an overview of the network at next month's meeting.

Three Senior Life Solutions employees recently resigned.

Bigfork Valley is not required to approve an annual list of depositories.

N. **Legal Newspaper**

Scenic Range News Forum, Grand Rapids Herald Review and Bear Country Chronicles submitted bids.

Grand Rapids Herold Review is currently Bigfork Valley's legal newspaper.

After discussion, Heidi Watson made a **motion** to select Scenic Range News Forum to serve as Bigfork Valley's legal newspaper, seconded by Tom LaMont. The motion passed unanimously. Sally Sedgwick abstained from voting due to a conflict of interest.

Board members requested that postings be listed in all three newspapers.

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O. Interim CEO Compensation

Darla Anderson exited the meeting at 2:26 p.m.

After discussion, Greg Cook made a **motion** to increase Darla Anderson's wage by \$3,000 per month, while serving as interim CEO, retroactive to December 11, 2023, seconded by Larry Salmela. The motion passed unanimously. Carol Gilbertson abstained from the discussion and voting due to a conflict of interest.

P. Employee Appreciation

Darla Anderson returned to the meeting at this time.

Londa Storlie, Dawn Johnson, Sue Myers, Mary Christensen, Heather Bibeau, Shawnae Feltus, Deb Morell, James Parks and Drew Francisco were nominated to receive employee appreciation gift certificates for outstanding job performance. A **motion** to approve the nominations was made by Greg Cook, seconded by Kurt Fredrickson. The motion passed unanimously.

Q. Annual Conflict of Interest Statement

Board members were asked to complete and return annual conflict of interest statements.

R. MHA Winter Trustee Conference Report

Kurt Fredrickson, Teresa Kittridge and Larry Salmela provided a summary of the MHA Winter Trustee Conference that they attended on January 11-12, 2024.

S. Strategic Discussion

No discussion.

T. Board Meeting Agenda Topics for Next Month

It was suggested that the following topics be included on next month's agenda:

- Lab Billing Education
- MN High Value Network/Cibolo - Nate White
- Community Care Program
- Quality Improvement Plan

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U. Open Discussion

An article about the Senior Life Solutions program was in the February Watts News.

The Minnesota Department of Health (MDH) anticipates notifying all applicants of funding decisions by May 31, 2024, for both the Rural Hospital Capital Improvement grant and Rural Hospital Planning and Transition grant.

Darla will follow up with Scenic Rivers Health Services to see if they are able to dispense prepacked prescriptions yet.

There was inquiry about the possibility of reopening the retail pharmacy on Saturdays.

At 2:57 p.m., a **motion** to adjourn the meeting was made by Casey Sursely, seconded by Larry Salmela. The motion passed unanimously.

Minutes respectfully submitted by Renee Tower, Executive Administrative Assistant.

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