



~Approved 3/26/2024~

**Regular Board Meeting**

**Tuesday, February 27, 2024**

**9:00 a.m.**

**Board Room & Microsoft Teams Conference Call**

**Board Members Present:**

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

**Board Members Remote:**

Teresa Kittridge – Marcell Township  
Heidi Watson – Koochiching County At-Large

**Board Members Absent:**

City of Bigfork – Vacant

**Staff Members:** Darla Anderson, Dr. Ed Anderson, Nelly Becker, Samantha Beckner, Kevin Boerboom, Heather Boessel, Annette Buckingham, Kyle Buckingham, Alex Cleath, Sara Elioff, Karlee Mann, Amanda Niemala, Heidi Powell, Jennifer Rissanen, Londa Storlie, Renee Tower

*The mission of Bigfork Valley is to provide a continuum of quality health care and community services rooted in excellence and delivered with skill and compassion.*

**Others:** Bruce Gerth, Dan Heinecke, Dawn Kern, Ted Lovdahl, Brandon Navara, Bruce Sampson, Christopher Virta, Nate White

*Chairman Clint Cook called the regular monthly board meeting to order at 9:00 a.m.*

*The meeting opened with prayer.*

**A. Community Comments**

There were no community comments.

**B. Approval of Agenda**

A **motion** to approve the agenda as presented was made by Marie Lovdahl, seconded by Kurt Fredrickson. The motion passed unanimously.

It was noted that “Lab Billing Education” was not on this month’s agenda, but will be on the March 26, 2024, Regular Board meeting agenda.

**C. Approval of Regular Board Meeting Minutes 1/30/2024**

A **motion** to approve the January 30, 2024, Regular Board meeting minutes as presented was made by Carol Gilbertson, seconded by Greg Cook. The motion passed unanimously.

**D. Information, Discussion and/or Action**

**1. MN High Value Network/Cibolo Engagement**

Nate White, President/CEO Cibolo Health, provided an overview of Minnesota High Value Network.

The proposed timeline and professional fees for Phase 1:

- Timeline: 3-4 Months
- Cibolo Fees: \$12,500 per Member
- Refundable Retainer: \$2,000 per Member

This refundable retainer will cover member-approved expenses. Any unused portion of the refundable retainer will be refunded to the members.

Members can exit the Minnesota High Value Network at the completion of any phase.

*The mission of Bigfork Valley is to provide a continuum of quality health care and community services rooted in excellence and delivered with skill and compassion.*

Darla Anderson reported that she spoke with Nathan Hough, the new CEO, and he supports a commitment to Phase 1.

Teresa Kittridge made a **motion** to join the Minnesota High Value Network and to expend funds in the amount of \$12,500 for Phase 1 plus the \$2,000 refundable retainer, seconded by Carol Gilbertson. Discussion ensued. The motion passed with 11 in favor and one opposed.

## **2. Investment Update – Baird**

Brandon Navara, financial advisor from Baird, provided review of the Investment Policy Statement and the performance of the hospital's portfolio.

No changes were recommended to the Investment Policy Statement.

For the calendar year 2023, the portfolio started out at \$3.839 million and appreciated by \$375,000 to end the year at \$4.214 million. Total return for the portfolio for 2023 was 9.76%.

Brandon Navara offered to attend the May or June Board meeting in person to discuss rebalancing within the portfolio and the Investment Policy Statement.

The Investment Procedure was reviewed.

After discussion, Sally Sedgwick made a **motion** to strike "or the CEO" from the last line of page 1 of the Investment Procedure, seconded by Kurt Fredrickson. The motion passed unanimously.

## **3. Finance Committee Report**

The Finance Committee meeting was held on Tuesday, February 20.

Clint Cook reported that the Governance and Finance committees briefly discussed the possibility of suspending the Finance Committee temporarily due to the same information being presented again at Regular Board meetings.

*The mission of Bigfork Valley is to provide a continuum of quality health care and community services rooted in excellence and delivered with skill and compassion.*

It was recommended that specific tasks be assigned to the Finance Committee through the Finance Committee Charter.

Darla Anderson reported that the Minnesota Hospital Association offers board finance education for \$2,500.

There was discussion about the information provided in the financial reports not providing enough information for the board to understand what services are losing money and what is being done to fix it.

**4. Financials**

Darla Anderson presented the financials and accounts payable for January 2024.

“Observation Patients” will be added to the financial dashboard.

A **motion** to accept the financial report for the month of January was provided by the Finance Committee, seconded by Kurt Fredrickson. The motion passed unanimously.

**5. Accounts Payable**

A **motion** to ratify the accounts payable for the month of January was made by the Finance Committee, seconded by Dan Sursely. The motion passed unanimously.

Drew Francisco resigned, and his last day at Bigfork Valley will be March 15. Josh Kinn was introduced as the new Plant Operations Manager.

**6. Board Travel Policy**

A **motion** to approve the Board Travel Policy as amended was made by Sally Sedgwick, seconded by Carol Gilbertson. The motion passed unanimously.

**7. City of Bigfork Board Seat Vacancy**

Gary Erickson submitted his letter of resignation from the Board of Directors representing the City of Bigfork, effective February 5, 2024.

*The mission of Bigfork Valley is to provide a continuum of quality health care and community services rooted in excellence and delivered with skill and compassion.*

Larry Salmela made a **motion** to advertise the vacant board position with letters of interest due by April 19, 2024, seconded by Dan Sursely. The motion passed unanimously.

#### 8. **CEO Agreement**

At 11:38 a.m., a **motion** to close the meeting for contract negotiations was made by Carol Gilbertson, seconded by Sally Sedgwick. The motion passed unanimously.

Closed session attendees: Clint Cook, Greg Cook, Kurt Fredrickson, Carol Gilbertson, Teresa Kittridge, Tom LaMont, Marie Lovdahl, Gordon Rahier, Larry Salmela, Sally Sedgwick, Dan Sursely, Heidi Watson, Heidi Powell, and Chris Virta.

At 12:03 p.m., a **motion** to reopen the meeting was made by Larry Salmela, seconded by Dan Sursely. The motion passed unanimously.

Sally Sedgwick made a **motion** to approve the CEO Employment Agreement and the attachment Non-Solicitation, Confidentiality and Proprietary Rights Agreement with suggested changes and to give the board chair authority to sign the agreement, seconded by Kurt Fredrickson. The motion passed unanimously.

The meeting recessed at 12:08 p.m. and reconvened at 12:32 p.m.

*Marie Lovdahl did not return to the meeting after the recess.*

Nathan Hough plans to begin on April 1, 2024.

Gordon Rahier made a **motion** to authorize Heidi Powell to send letters to candidates who were not selected for the CEO position, seconded by Greg Cook. The motion passed unanimously.

#### 9. **Board Member Indemnification**

Attorney Chris Virta reported that board members are not liable for actions that are taken on behalf of the board acting in their official capacity. The hospital district has an obligation to protect board members when they are acting in an official capacity. However, that indemnification does not extend to situations where activities are

*The mission of Bigfork Valley is to provide a continuum of quality health care and community services rooted in excellence and delivered with skill and compassion.*

outside the scope of their duties or where their activities constitute malfeasance, willful neglect of duty or bad faith.

#### **10. Attorney General Agreement/Policy Review**

Darla provided an overview of the Attorney General Agreement/Policies.

A **motion** to approve the Attorney General Agreement/Policies with the suggested changes was made by Carol Gilbertson, seconded by Sally Sedgwick. The motion passed unanimously.

A note will be added to statements to inform patients about the 5% prompt pay discount.

Darla reported that the \$25,000 community/charity care limit that was previously set by the Board has been removed from the policy. There will be no cap going forward.

#### **11. Community Care Application**

Darla Anderson and Amanda Niemala provided a brief overview of a Community Care Application that they received. The application was not included in board packets because of HIPAA. The debt was incurred in 2022. The individual is below the federal poverty guidelines.

A **motion** to approve the Community Care Application in the amount of \$49,185.09 was made by Larry Salmela, seconded by Tom LaMont. The motion passed unanimously.

There was discussion about there not being a cap for community/charity care. The Finance Committee will monitor community/charity care and bad debt going forward.

#### **12. Quality Improvement Plan**

Jenni Rissanen provided review of Bigfork Valley's Quality Improvement Plan.

*The mission of Bigfork Valley is to provide a continuum of quality health care and community services rooted in excellence and delivered with skill and compassion.*

A **motion** to approve the Quality Improvement Plan as presented was made by Carol Gilbertson, seconded by Greg Cook. The motion passed unanimously.

**13. Governance Committee Report**

Clint Cook provided an overview of the Governance Committee meeting that was held on Tuesday, February 20.

**14. Charter Approval**

A **motion** to approve the Charters (Executive Evaluation and Compensation Committee, Governance Committee, Legislative Education Committee, and Strategic Planning Project Committee) as presented was made by Larry Salmela, seconded by Dan Sursely. The motion passed unanimously.

**15. Board Meeting Evaluation Results**

January board meeting evaluation survey results were reviewed.

**16. NIECI/MN Power Update**

No report.

**17. Bigfork School Maintenance Support Update**

No report.

**18. Interim CEO Report**

Darla Anderson provided review of the specialty clinic provider list. The board suggested that the referral section of the provider list be updated. Orthopedic Surgeon Dr. Lemker is contracted by Bigfork Valley and is currently coming on site two days per month. The Grand Rapids Area Community Foundation endowment fund ending balance for December 31, 2023, is \$537,443.97. Dr. Merritt, ENT, started in February and is on site two and a half days per week. Mike Olson is recruiting an additional occupational therapist to help grow occupational therapy volumes. Career Pathways, in coordination with Bigfork Valley, Bigfork School, and MN North College will be offering certified nursing assistant courses for high school and college credit. Heidi Powell and Darla are looking into becoming part of the PERA retirement plan.

*The mission of Bigfork Valley is to provide a continuum of quality health care and community services rooted in excellence and delivered with skill and compassion.*

**19. Employee Appreciation**

Wyatt Dietrich, Ayianna Dial, Heidi Powell, Amanda Niemala, Kyle Buckingham, and Renee Tower 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 Sally Sedgwick. The motion passed unanimously.

**20. Strategic Discussion**

No discussion.

**21. Board Meeting Agenda Topics for Next Month**

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

- Lab Billing Education
- Department Introduction – Pharmacy 340B

**22. Open Discussion**

Kurt Fredrickson will look into governance training. The Finance Committee will review the Finance Committee Charter.

At 2:33 p.m., a **motion** to adjourn the meeting was made by Dan Sursely, seconded by Larry Salmela. The motion passed unanimously.

Minutes respectfully submitted by Renee Tower, Executive Administrative Assistant.

*The mission of Bigfork Valley is to provide a continuum of quality health care and community services rooted in excellence and delivered with skill and compassion.*