



~Approved 11/28/2023~

Regular Board Meeting

Tuesday, October 31, 2023

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

Board Members Remote: None

Board Members Absent:

Stokes Township – Vacant

Staff Members: Dr. Ed Anderson, Darla Anderson, Nelly Becker, Heather Boessel, Annette Buckingham, Kyle Buckingham, Sam Beckner, Pam Carr, Alex Cleath, Sara Elioff, Jeff Fontana, Drew Francisco, Katie Gilbertson, Dawn Jourdan, Vance Koppelman, Sandra LeBlanc-Boland, Amanda Niemala, Heidi Powell, Jennifer Rissanen, Aaron Saude, Renee Tower

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Others: Greg Anselmo, Ellen Bomstad, Bryan Boone, Midge Carlson, LaDonna Cole, Lin Cook, Junell Erickson, Kurt Fredrickson, Dan Heinecke, Jack Hillstrom, John Holsman, Merv Johnson, Doug Kelder, Louann Kelder, Dawn Kern, Heidi Korstad, Brad Lovdahl, Connie Lovdahl, Ted Lovdahl, Karen Pifher, Barbara Rahier, Karen Springer, Allison Weddle

Vice Chair Larry Salmela called the regular monthly board meeting to order at 9:03 a.m.

Greg Cook read Bigfork Valley's Mission Statement.

The meeting opened with prayer.

I. Community Comments

Larry Salmela invited community members to provide comments. Each speaker was allowed one opportunity to talk with a limit of three minutes.

Community members expressed the following concerns: the tax levy amount; Jeff Temple leaving; ENT projections; Bigfork laundromat purchase; financial stability; likeminded people being on the board; not managing the facility like a business; the Board not responding to community questions and concerns; divided board, need to work together, need to agree to disagree; divided community; not utilizing the empty space within the facility.

Positive comments included: the hospital and the staff have been excellent; the board was thanked for their warm reception and allowing community comments; Bigfork Valley is a hidden gem; grateful for the facility and doctors and would hate to see the facility fail.

Teresa Kittridge entered the meeting at 9:08 a.m.

II. Approval of Agenda

Carol Gilbertson made a **motion** to move item C "Appoint Stokes Township Board Member" to item A, seconded by Heidi Watson. The motion passed with six in favor, five opposed and one abstention. Gary Erickson objected stating that the vote requires seven votes (majority of the board) to pass. Larry Salmela declared the motion passed.

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Sally Sedgwick made a **motion** to move item M “Hire Attorney – Employee Relations Issue” to item B, seconded by Gordon Rahier. Discussion ensued. There was no vote on the motion.

A **motion** was again made to move “Appoint Stokes Township Board Member” to item A was made by Teresa Kittridge, seconded by Carol Gilbertson. The motion passed with nine in favor and three opposed.

After discussion, a **motion** to approve the agenda as amended was made by Marie Lovdahl, seconded by Heidi Watson. The motion passed unanimously.

III. Approval of Regular Board Meeting Minutes 10/3/2023

A **motion** to approve the October 3, 2023, Regular Board meeting minutes was made by Heidi Watson, seconded by Dan Sursely. The motion passed unanimously.

IV. Approval of Special Board Meeting Minutes 10/11/2023

A **motion** to approve the October 11, 2023, Special Board meeting minutes was made by Marie Lovdahl, seconded by Dan Sursely. The motion passed unanimously.

V. Information, Discussion and/or Action

A. Appoint Stokes Township Board Member

Heidi Korstad and Kurt Fredrickson expressed interest in the vacant Stokes Township board seat, and both were invited to make a statement before the board. Gary Erickson reported that there is another person interested in the position. Discussion ensued.

Gordon Rahier made a **motion** to postpone the decision to fill the Stokes Township vacancy for one month, seconded by Gary Erickson. The motion passed with seven in favor and five opposed.

The Stoke Township vacancy will be readvertised.

B. Hire Attorney – Employee Relations Issue

At 10:05 a.m., as permitted by Minnesota State Statute 13D.05, subdivision 2 (b), a **motion** to close the meeting for preliminary consideration of allegations or charges against an individual subject of

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its authority was made by Sally Sedgwick, seconded by Gordon Rahier. The motion passed unanimously.

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

At 10:36 a.m., the meeting was reopened to the public.

A **motion** to hire an attorney for an employee relations issue was made by Tom LaMont, seconded by Teresa Kittridge. A majority voted in favor.

C. Governance Committee Report

The Governance Committee meeting was held on Tuesday, October 24. The committee reviewed the following policies: Ends; Executive Limitations; Board Governance Processes; and Board Travel.

The Governance Committee made a **motion** to approve the Travel Policy as amended, seconded by Teresa Kittridge. After discussion, the motion failed with none in favor.

It was consensus of the board to follow IRS guidelines for meal expenses. The Governance Committee will revisit the Travel Policy at its next meeting.

D. Elect Board Chair

The Board nominated candidates by ballot. The following boardmembers were nominated for board chair:

- Clint Cook
- Gary Erickson
- Carol Gilbertson
- Larry Salmela
- Sally Sedgwick

Carol Gilbertson and Sally Sedgwick declined. Clint Cook, Gary Erickson and Larry Salmela accepted the nomination for board chair.

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The board then voted by paper. Clint Cook, Gary Erickson and Larry Salmela tied with four votes each.

After discussion, Sally Sedgwick made a **motion** to postpone electing a board chair until November 28, seconded by Carol Gilbertson. The motion passed with 10 in favor and two opposed.

It was noted that if Larry Salmela is elected board chair, the board will need to elect a new board treasurer, as Larry currently holds that position.

E. Finance Committee Report

Gary Erickson exited the meeting at 11:01 a.m.

The Finance Committee meeting was held on Tuesday, October 24.

F. Financials

Darla Anderson presented the financials and accounts payable for September 2023.

Darla is estimating a \$1 million payment from Medicare in July 2024.

There was discussion concerning the cost of services at Bigfork Valley versus other facilities.

Bigfork Valley's billing was outsourced to Tegria at the beginning of August 2023.

A **motion** to accept the financial report for the month of September was provided by Greg Cook, seconded by Marie Lovdahl. The motion passed unanimously.

G. Accounts Payable

A **motion** to ratify the accounts payable for the month of September was made by Dan Sursely, seconded by Sally Sedgwick. The motion passed unanimously.

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H. Clarification on the Annual Report Financials

Darla Anderson provided a summarization of nonoperating revenue from 2018 through 2022.

I. Laundromat

At 11:31 a.m., as permitted by Minnesota State Statute 13D.05, subdivision 3, Teresa Kittridge made a **motion** to close the meeting to discuss the Bigfork Laundromat proposal, seconded by Carol Gilbertson. The motion passed unanimously.

Closed session attendees: Clint Cook, Greg Cook, Carol Gilbertson, Teresa Kittridge, Tom LaMont, Marie Lovdahl, Gordon Rahier, Larry Salmela, Sally Sedgwick, Dan Sursely, Heidi Watson, Drew Francisco, Darla Anderson, Aaron Saude, and Merv Johnson.

At 12:10 p.m., Marie Lovdahl exited the meeting following the closed session.

At 12:21 p.m., a **motion** to reopen the meeting was made by Clint Cook seconded by Heidi Watson. The motion passed unanimously.

A **motion** to move forward with the laundromat project was made by Greg Cook, seconded by Gordon Rahier. Discussion ensued, during which clarification was made that the board is not moving forward to purchase the laundromat yet. The next step is for the state and fire marshal to inspect the laundromat. The motion passed unanimously.

J. CEO Separation Agreement

A **motion** to move “CEO Separation Agreement” to the end of the agenda was made by Sally Sedgwick, seconded by Clint Cook. The motion passed unanimously.

K. Recruitment Committee Report

The Recruitment Committee met on October 11 and October 30.

Heidi Powell provided CEO salary information compiled from two salary surveys.

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After discussion, Carol Gilbertson made a **motion** to approve a CEO salary range of \$190,000 – \$250,000, seconded by Clint Cook. The motion passed unanimously.

A list of minimum and preferred qualifications was reviewed.

After discussion, Teresa Kittridge made a **motion** to move “masters in healthcare services, hospital administration, business administration or finance, or 10 years experience in one of these areas” to the top of minimum qualifications, seconded by Heidi Watson. The motion passed with five in favor and three opposed. Greg Cook and Larry Salmela failed to vote.

L. Recruitment Firm Proposals

Proposals from the following recruitment firms were reviewed: Riam Recruiting and gpac.

A **motion** to utilize Riam Recruiting and gpac for the CEO search was made by Carol Gilbertson, seconded by Clint Cook. The motion passed unanimously. No payment is due until a candidate is hired. The Recruitment Committee has authority to select one company if necessary.

M. Hire Board Attorney

Clint Cook made a **motion** to appoint Heidi Watson, Teresa Kittridge and Larry Salmela (the Executive Evaluation and Compensation Committee) to look for a board attorney and to make recommendations to the full board at the Board meeting on November 28, seconded by Tom LaMont. The motion passed unanimously.

N. CEO Report

Aaron Saude reported that Bigfork Valley was awarded \$198,000 through the Nursing Facility Workforce Incentive Grant to provide retention bonuses to staff who work in long term care.

Aaron attended a ribbon cutting ceremony at the Bigfork School to celebrate the grand opening of the locker rooms and weight room on October 30.

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O. Organizational Chart

Bigfork Valley's organizational chart was reviewed.

P. Board Member Funds for Electronic Device/Internet

Aaron Saude reported that the Board Governance Processes Policy says that the board will disperse \$500 to a board member at the beginning of their term, subject to board approval. The purpose of these funds is to purchase a personal electronic device for accessing board meeting materials and for conducting board business including the member's cost of connecting to the internet.

Heidi Watson made a **motion** to disburse \$500.00 to Sally Sedgwick, seconded by Gordon Rahier. The motion passed unanimously.

Q. Employee Appreciation

Kirsten Pitzen, Nikki Warrick, and Sam Beckner were nominated to receive employee appreciation gift certificates for outstanding job performance. A **motion** to approve the nominations was made by Heidi Watson, seconded by Greg Cook. The motion passed unanimously.

R. Strategic Discussion

There was a question as to whether there is a formal process for addressing community comments and bringing back a summary to the full board. Aaron Saude reported that there is not a formal process.

There was discussion about the pharmacy being closed on Saturdays.

S. Board Meeting Agenda Topics for Next Month

"Senior Life Solutions" and "December Board Meeting Date" will be added to next month's agenda.

CEO Separation Agreement

At 1:28 p.m., a **motion** to close the meeting to discuss the CEO separation agreement was made by Clint Cook, seconded by Heidi Watson. The motion passed unanimously.

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Closed session attendees: Clint Cook, Greg Cook, Carol Gilbertson, Teresa Kittridge, Tom LaMont, Gordon Rahier, Larry Salmela, Sally Sedgwick, Dan Sursely, and Heidi Watson.

At 1:58 p.m., a **motion** to reopen the meeting was made by Heidi Watson, seconded by Dan Sursely. The motion passed unanimously.

Larry Salmela reported that the board reviewed and discussed the key terms of the CEO Transition Agreement during the closed session.

Clint Cook made a **motion** to authorize the Executive Evaluation and Compensation Committee to finalize the CEO Transition Agreement with two changes and to send it to Aaron Saude, seconded by Tom LaMont. The motion passed unanimously.

At 2:01 p.m., a **motion** to adjourn the meeting was made by Dan Sursely, seconded by Greg Cook. The motion passed unanimously.

Minutes respectfully submitted by Renee Tower, Executive Administrative Assistant.

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