Bigfork Valley
Hospital • Clinics • Communities
Where Skill Meets Compassion

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~Approved 11/17/2026~

Regular Board Meeting
Tuesday, October 27, 2026
9:00 a.m.
Board Room & Microsoft Teams

Board Members Present:
Greg Anselmo – Itasca County Unorganized
Greg Cook – Koochiching County Unorganized
Kurt Fredrickson – Stokes Township
Carol Gilbertson – Itasca County At-Large
Dan Heinecke – City of Bigfork
Teresa Kittridge – Marcell Township
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:
None

Board Members Absent:
Clinton Cook – Bigfork Township

Staff Members Present:
Nathan Hough, Justin Root, Renee Tower

Staff Members Remote:
Sam Beckner, Kyle Buckingham, Alex Cleath, Randy Collins, Sara Elioff, Josh Kinn, Mark Lyons, Heidi Powell, Natasha Thomas, Christopher Virta

Others Present:
Ellen Bomstad, Bernie Hough, Christina Renner, Greg Renner

Others Participating Remotely:
None

The meeting was called to order at 9:00 a.m. by Vice Chair Carol Gilbertson and opened with a prayer.

A. **Community Comments** (3 minutes per speaker)
Larry Salmela introduced Christina Renner, who is running unopposed for the Carpenter Township board seat. Renner is expected to begin serving on the board in January 2027, pending election results.

B. **Approval of Consent Agenda**
1. Agenda
2. Regular Board Meeting Minutes (Sept. 29, 2026)

A **motion** to approve the consent agenda was made by Larry Salmela and seconded by Dan Heinecke. The motion passed unanimously.

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

1. **Finance Committee Report**
Treasurer Kurt Fredrickson provided a summary of the Finance Committee meeting held Oct. 26, 2026.

a. **Financials**
The September 2026 financial reports were presented for review.

A **motion** to approve the September financial reports was made by the Finance Committee and seconded by Greg Anselmo. The motion passed unanimously.

b. Accounts Payable

September 2026 accounts payable, the accounts payable aged reconciliation report by invoice date as of Oct. 19, 2026, and the accounts receivable aging report as of Oct. 18, 2026, were presented for review.

CEO Nathan Hough reported that he meets at least weekly with Alex Cleath, Sam Beckner and Brandon Francisco to review outstanding obligations and determine payment priorities.

A **motion** to approve the September 2026 accounts payable was made by the Finance Committee and seconded by Teresa Kittridge. The motion passed unanimously.

Hough also reported that Sandra LeBlanc-Boland provided an overview of 2026 grant activity during the Finance Committee meeting, including grant applications submitted, awards received and grant funding received to date. He noted that grant activity updates will be reported quarterly. The grant report was included in the board packet.

2. Line of Credit Update

CEO Nathan Hough reported that, as of Oct. 27, 2026, the Hospital District had an outstanding balance of $940,000 on its $1 million line of credit. He noted that funds for the robotic surgery system had been received from the state and that the line of credit was expected to be paid in full by the end of the day.

Hough explained that the line of credit can remain open without an outstanding balance and may be utilized as needed in the future.

3. **2027 Preliminary Budget**

CEO Nathan Hough presented the preliminary 2027 budget, noting that the draft provided was the same version previously included in the August and September board packets.

Significant increases in employee health insurance costs are projected for 2027. The organization plans to remain self-funded.

The current draft budget does not include second-year funding associated with the Rural Health Transformation initiative. Based on available grant information, the funding could total approximately $1 million.

The final 2027 budget will be presented to the Finance Committee in December and then to the full board for consideration and approval at the December board meeting.

4. **Quarterly CEO Goals Progress Update**

CEO Nathan Hough provided a quarterly update on progress toward the organization's nursing home, assisted living, retail pharmacy and electronic health record (EHR) implementation goals.

The nursing home census currently stands at 21 residents, with two additional admissions pending. Efforts to strengthen long-term care operations continue through focused leadership recruitment, admissions process improvements and operational efficiencies.

The assisted living facility currently has 32 tenants and is operating near capacity. A request has been submitted to increase licensed capacity from 34 to 37 tenants. Operational restructuring and coordination between assisted living and long-term care continue to support service delivery and continuity of care.

The retail pharmacy is exploring opportunities to expand participation in the 340B Drug Pricing Program and has expanded community vaccination services, including RSV, shingles and influenza vaccines.

EHR stabilization and optimization efforts remain ongoing, including continued development of help desk support and staff training

programs. Implementation of the EHR system in long-term care has been indefinitely postponed pending system improvements and performance testing by OCHIN.

5. **CEO Report**

CEO Nathan Hough provided the following updates:

New Specialty Providers

Bigfork Valley is working with Sanford to develop interventional podiatry services in Bigfork using a visiting physician and an advanced practice provider. The proposed model would utilize the advanced practice provider for routine clinic services, while the physician would perform surgical procedures and manage more complex cases.

Urologist Dr. Goldin will not be providing services in Bigfork. Instead, Dr. Novak is expected to start seeing patients in Bigfork, with a tentative start date planned for early 2027.

Rural Health Transformation Funds

The invoice for the surgical robot was submitted, and reimbursement from the state has been received.

The state opened a short-notice application process for additional Rural Health Transformation Program funding. Bigfork Valley submitted an application seeking funding for expansion of the robotic surgery program to include shoulder and hip procedures, development and implementation of an Epic System Analyst on-the-job training program, and replacement of the air handler over the laboratory.

The organization received confirmation that its application was submitted successfully. The state has indicated that 15 facilities will receive funding awards; however, Bigfork Valley has not yet been notified whether its application was approved.

Other Updates

Brian Rauzi has been hired as chief operating officer and will oversee long-term care operations. He is scheduled to begin Nov. 30. Hough

noted that the Executive Succession and Transition Policy may be reviewed and updated following Rauzi's onboarding period.

Additional information regarding the Minnesota Nursing Home Report Card Quality of Life Survey was included in the board packet. The survey is required by the state and is conducted by a state-contracted vendor, with results incorporated into the Minnesota Nursing Home Report Card.

The October state survey of the multimodality imaging department was completed successfully. Hough noted that it was the department's first comprehensive survey in nearly 10 years and provided validation of the quality of imaging services.

Approximately 150 community youth are expected to visit Bigfork Valley on Oct. 30 for trick-or-treating activities.

The first robotic-assisted knee replacement procedure was performed Oct. 26, 2026, and was successful.

Bigfork Valley has submitted the high bid on a low-mileage ambulance intended for advanced life support (ALS) use and is awaiting a final decision from the seller's board. If the bid is accepted, Hough may be out of the office the rest of the week to travel to Montana and assist with retrieving the vehicle.

Human Resources and Health Information staff have exchanged office locations. Admissions will return to their previous layout.

6. **New Board Member Orientation Process**

   The board reviewed the new board member orientation process and discussed best practices for onboarding new members. Members supported continuing the previous orientation approach, including information on the hospital's history, the Hospital District's taxing authority and procedures for filling board vacancies. A six-month follow-up orientation review was also recommended.

7. **Employee Appreciation**

The Board recognized Alex Cleath for employee appreciation. Approved employee appreciation recipients receive a $25 appreciation gift certificate.

A **motion** to approve the employee appreciation nomination was made by Kurt Fredrickson and seconded by Teresa Kittridge. The motion passed unanimously.

Heidi Watson commended hospital staff for the high-quality care provided to members of her family during their hospital stays.

Hough shared a recent recognition received by Bigfork Valley Hospital from a national healthcare ratings organization based in Phoenix, Arizona. Bigfork Valley was recognized as a Top General Hospital in Minnesota for 2026 based on customer feedback and publicly available review data. Hough noted that the hospital was ranked No. 3 in the state.

8. **Emergency Medical Services Update (Justin Root)**

EMS/NEMT Manager Justin Root provided an update on ambulance service operations, staffing and education initiatives.

Root reported that staffing has increased through local EMR and EMT training programs and that Bigfork Valley now provides EMS education in-house. He also reported that Bigfork Ambulance successfully transitioned to part-time Advanced Life Support (ALS) service.

Since implementing part-time ALS, the department has completed 28 ALS calls, including eight interfacility transfers. Root noted that local ALS capability has reduced transfer wait times, expanded treatment options available during transport and improved access to emergency care for the community.

Year-to-date ambulance call volume totaled 238 calls, already exceeding the 207 calls recorded during the full 2025 calendar year. Root also discussed regional EMS staffing challenges and the potential for future expansion of Bigfork's service area.

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

The Board did not identify any additional topics for inclusion on the next Board meeting agenda.

10. **Open Discussion**

The board discussed the ongoing financial consulting arrangement. Hough reported that he and Mark Lyons had discussed continuing the current arrangement for an additional six months, with Alex Cleath continuing in the controller role.

Lyons stated that the transition is progressing well and that the consulting team's recommendation is to continue providing support while Cleath and other finance staff assume additional responsibilities. The arrangement will be reevaluated in six months to assess the organization's ongoing needs.

Upcoming Meetings

The Finance Committee will not meet in November. The next Regular Board Meeting is scheduled for Nov. 17 at 9 a.m. The Finance Committee will meet Dec. 28, and the Regular Board Meeting will be held Dec. 29.

At 10:19 a.m., with no further business to come before the Board, a **motion** to adjourn was made by Larry Salmela and seconded by Greg Cook. The motion passed unanimously.

Minutes respectfully submitted by:
Renee Tower
Executive Administrative Assistant