Brookings Health System
Board of Trustees Minutes of Meeting
Monday, March 30, 2026
Board Room, Brookings Hospital

The Brookings Health System Board of Trustees held a meeting at the Brookings Hospital in the Board Room with the following members present: David Meyer, Mary Anne Krogh (ph.), Tracy Greene, Jenn Barlund, Shelby Eischens, Don Greiner, Shawna Hanson, and David Jones.
Ex-officio: Brianna Doran and Lisa Hager,
Absent: Lynn Darnall

Management Present: Jason Merkley, CEO; Tammy Hillestad, CNO; Melissa Wagner, CFO and Sheri Wiig, recorder

Call to Order: President Meyer called the meeting to order at 5:00 p.m.

Invited Guest - Eide Bailly FY25 Audit Presentation
Geoff Knobloch, CPA/Partner with Eide Bailly, was welcomed and introduced. Knobloch presented an overview of the FY25 clean, unmodified financial audit results/opinion issued by Eide Bailly. The draft audit has been submitted to the State Department of Legislative Audit for final approval.

Knobloch reported that the audit was completed successfully and the financial statements are in good standing. For fiscal year 2025, the organization reported a year-end net position of $159 million, total revenue of $86 million, operating expenses of $71 million, and an operating margin of 17.6%.

Governmental Accounting Standards Board (GASB) and other factors affecting the financial statements were reviewed. Ratio and benchmark comparisons were highly favorable relative to other South Dakota hospitals, Moody's metrics and Optum benchmarks. Knobloch commended Brookings Health's strong operating performance and balance sheet position.

Knobloch was thanked for his presentation and departed the meeting at 5:25 p.m.

Agenda Approval
A motion was made by Barlund, seconded by Hanson to approve the agenda. All present voted in favor; motion carried.

Consent Agenda Approval
A motion was made by Greiner, seconded by Eischens to approve the following consent agenda items. The motion carried unanimously.

A. February 23, 2026, Board of Trustees meeting minutes
B. February Financials (total payables in February were $2,887,470.78)

Informational Items
Articles of interest included: "Built to Last", *Midwest Medical Edition*; "10 themes for health system growth in the next year", *Becker's Hospital Review*; and Key Considerations for 2026, The state of the rural health safety net", *Chartis Center for Rural Health.*

Merkley noted that the South Dakota Association of Healthcare Organizations (SDAHO) is celebrating its 100th anniversary this year. SDAHO represents 52 hospitals and 120 long-term- care facilities statewide and serves as a central resource and unified voice for healthcare advocacy in South Dakota.

Executive and Board Committee Reports

CEO Report

Merkley noted that today, March 30 is National Doctors Day, an annual observance recognizing our local and outreach physicians for their commitment to patient and resident care. Epic implementation activities continue to progress, with ongoing communication regarding cutover timelines and data migration. Staff training is underway, with most sessions scheduled for April and May, and upcoming Technical Dress Rehearsals will validate Epic-related equipment. Beginning in June, The Neighborhoods at Brookview will transition PT, OT, and ST services in-house, replacing Aegis Therapies to enhance service efficiency for residents. Merkley also recognized staff and Board members for Brookings Health System's Top 20 designation as the nation's #1 rural and community hospital, commending the leadership and teamwork that contributed to this achievement.

CFO Report

Wagner provided an update on Revenue Cycle Epic readiness. During implementation and the post go-live phase, Huron Consulting Group has been engaged to support Meditech Expanse accounts receivable, allowing Revenue Cycle staff to focus on Epic. Wagner also shared an update on activity within the Investment Authority account.

CNO Report

Hillestad reported that 1,135 pairs of socks were donated during the Wound Center's annual drive and will be distributed through the Salvation Army to individuals in need in Brookings County. She noted that clinical teams are prioritizing scheduling and Epic training as it becomes available. Hillestad also shared that Emergency Department Director Karen Weber will semi-retire this summer after nearly 40 years of service and will support the transition of Ashley Baszler, RN, who has been selected as her successor.

Administrative Committee Meeting

President Meyer provided a report; the Administrative Committee met on March 24. Topics of discussion included Workday/Epic, SD Rural Transformation Plan, Brookings Health System Medical Plaza, Old North Circle – Infusion/Outreach, SoDak Spurs Funding Request, SD Legislative Session, FARM Program, Top 20, Eide Bailly Audit, and Employee Appreciation Event.

Merkley reported that, following discussions with physicians regarding the Frontier and Rural Medicine (FARM) program, a proposal will be submitted on behalf of the hospital and clinic to consider Brookings as a site for hosting third-year medical students for up to 11 months of rural clinical training.

Finance Committee

Committee Chair Greiner provided a report. The Finance Committee met prior to the Board meeting and approved financials for February 2026. March's Finance Committee meeting minutes will be included with the consent agenda in April's board packet for approval. February salaries and wages were $2,229,191.

Quality Committee

Committee Chair Barlund provided a report; the Quality Committee met on March 24. Jen Chandler, Clinical Services Director, provided information on annual regulatory evaluations held at the Rural Health Clinics in Arlington, Volga, and White. Other topics of discussion included 5 Star Rating at The Neighborhoods at Brookview, Q3 & Q4 2025 Patient Experience Report, and Top 20-Chartis Performance Index.

Old Business

SD Rural Health Transformation Plan

Merkley provided an update on the South Dakota Rural Health Transformation Plan, noting that the state is currently assessing potential vendors to administer the initiatives. Updates on additional grant opportunities remain limited at this time but will certainly be picking up pace as they will likely drop for submission in April/May. The one funding opportunity BHS plans to respond to is expanding its existing Doula program, with a focus on enhancing services and supporting counties identified as OB deserts that surround Brookings. Submission back to the State of SD for this proposal is due on April 9th.

Adjournment

Upon motion by Greene, second by Jones, the meeting adjourned at 6:08 p.m. Motion carried unanimously.

Respectfully submitted,

Tracy Greene, Secretary