

November 13<sup>th</sup>, 2025

The 2026 Budget presentation and Work Session meeting of the Board of Commissioners of the Whidbey Island Public Hospital District is called to order at 11:07 am by Board President, Commissioner Golder. Present are Commissioner, James Golder; Commissioner, Ron Wallin; Commissioner, Greg Richardson; Commissioner, Marion Jouas; Commissioner, Jamie Canby; Chief Financial Officer, Paul Rogers; Director of Finance, Carl Bredthauer; Controller, Dana Hunt; Administrative Chief of Staff, John Gleason.

**Consent Agenda**

There are no consent agenda items.

**Call to Order/Points of Order**

Dr. Mark Borden is introduced to the board. Dr. Borden will fill position four starting in January. Dr. Borden has history as a physician, with past experience at WhidbeyHealth.

**Public Comments**

No public comments are made.

**Presentation of the 2026 Financial Budget**

Chief Financial Officer, Paul Rogers

Paul presents the 2026 financial budget to the board and general public.

We are projecting a 5% volume growth in all areas where capacity exists, including outpatient services, clinic operations, the emergency department, and surgery. Bridge initiatives are expected to add \$12,260k in incremental net operating revenue. The budgeted total operating revenue for 2026 is projected to be \$174,062,981 with operating expenses expected to be \$176,887,037 which projects to a total operating income of \$2.8 million. Commissioner Golder expresses concern about the potential

purchase of a building and the hiring of a manager for a daycare. Paul is not aware of the purchase or the hire that Commissioner Golder is referring to. The addition of a daycare is presented in the 2026 budget as a line item that he expected to happen at some point in 2026, so it is being budgeted for accordingly. Days cash-on-hand is forecasted to be at 19 days at the end of 2025. Commissioner Golder proposes the possibility of a levy lift. Paul is confident that we do not need a levy lift to carry us through the next year.

Capital requests total \$4.9 million. Some items will be covered by the foundation, although we are unable to budget for that. All capital budget purchases will be brought to the Finance Committee and the board for approval prior to purchase. The new phone system is the largest line item for the first round of priority purchases as \$1.1 million.

No approval is requested at this meeting. This finance presentation will go to the Finance Committee next Wednesday, November 19<sup>th</sup>, and then will be voted on by the board at the board meeting on Thursday, November 20<sup>th</sup>.

The board breaks for 7 minutes at 12:13 pm and plans to reconvene at 12:20 pm. After a brief break, the board meeting resumes at 12:24 pm.

### **General Board Items**

Review of Board Bylaws - At the last board meeting, it was decided that the board would not approve the bylaws without approval from CEO Nathan Staggs. The board will be making changes to the bylaws pending the approval from Nathan, who will review the changes upon his return.

Under membership requirements, the use of the term 'district' is no longer applicable since the board did away with the geographical districts and moved to positions and should be removed or amended.

The board discusses the terms of office and at what date the board should select the president and secretary of the board. Proposals include the last month in an election year as well a 6-month period to allow new members to acclimate to their role, at which point a president election would take place in June. If a commissioner will no longer be on the board after an election, the board needs to decide how to fill that role (ie, president, secretary) prior to that 6-month period. Discussion ensues about how much experience is necessary for a commissioner to be on the board before they are appointed president.

Vacancies - The language should be compatible with the RCWs. Marion proposes that the language from the RCW be put into the bylaws to specify the process.

Sinking funds - On page 8, there is mention of sinking funds. Jamie will add a definition to be included to explain what sinking funds are.

Conflict of Interest - Language is added about WhidbeyHealth commissioners serving as non ex-officio members of the WhidbeyHealth Foundation.

Officers - Discussion about the procedures for removing a commissioner from their appointed officer position (ie. President, secretary). Decision is to remove item labeled 'e'.

Committees - the president shall be an ex-officio member of all committees, however no more than 2 committees will be present at any committee at any time. Attendance must adhere to the two-commissioner rule so as to prevent a quorum.

Evaluations of the CEO - Commissioner Richardson suggests that the board conduct CEO evaluations at next week's board meeting in order for the experienced commissioners to be able to give their input.

Internal audits - discussion about whether the CFO should be appointed as the internal auditor or if that position should fall to a separate employee, either internal or external. Commissioner Golder suggests that the hospital employee an internal auditor who would report to the CFO and who would also present findings to the board.

Treasurer - Discussion about whether the foundation board should have a treasurer or not. Suggestion to call WSHA or a governing body to inquire about what role the treasurer does and the requirements. Language to be added outlining the role of the treasurer.

Medical Staff - The medical staff has made many changes to their bylaws. A suggestion is made to review the Medical Staff bylaws to make sure there is no conflict between them before proceeding.

Commissioner Jouas will create a document outlining what she believes should be in an orientation packet for new commissioners, which will be presented for review.

Commissioner Golder has requested that the liability insurance rep for the board speak at the future board meeting. A suggestion is to push this discussion from December to January.

### **Executive Session**

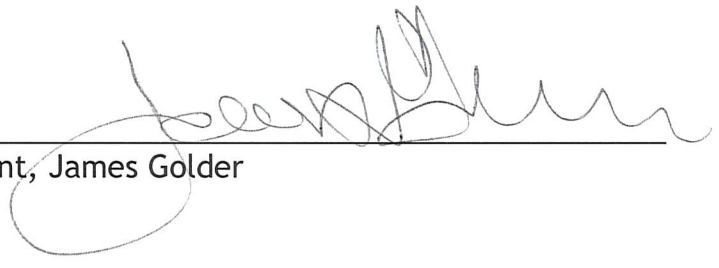
No Executive Session is taken.

### **Commissioner's Comments**

Commissioner Richardson would like to see a more robust onboarding process for new commissioners. He has developed onboarding materials to be reviewed and suggests setting aside time for new commissioners to go through an onboarding process.

Adjournment

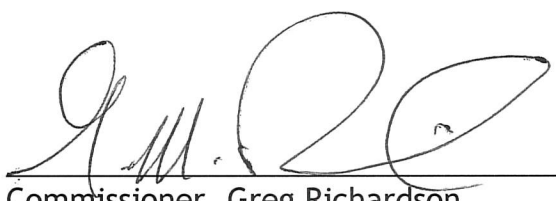
Commissioner Golder adjourns the board meeting at 2:38 pm. Minutes taken by John Gleason.



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President, James Golder



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Secretary, Ron Wallin



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Commissioner, Greg Richardson



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Commissioner, Marion Jous



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Commissioner, Jamie Canby

