



Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda
Hospital Board
Regular Meeting



Thursday, June 25, 2026

5:30 PM

Assembly Chambers

Please copy and paste the link below into your browser to join the webinar:

<https://us06web.zoom.us/j/85063171971?pwd=xQjppq4NliP1HjWskzgsEKv7mGgQ3oX.1>

Webinar ID:850 6317 1971

Passcode:276684

1. Call to Order/Roll Call

- A. Call to Order
- B. Roll Call

2. Approval of the Agenda

- A. Approval of the June 25, 2026, Hospital Board Meeting Agenda

3. Approval of Board Minutes

- A. Approval of the May 28, 2026, Hospital Board Meeting Minutes

4. Visitor Comments

5. Board Member Comments

6. Committee Reports

- A. Resource Committee

- B. Bylaws Committee

Proposed changes to Article VII (suggested addition "E" in red), and Article VIII (suggested additional language in red). *See attached*

Per Bylaws, suggested changes must be submitted in writing, see attached, and read, prior to being voted on at the next meeting.

- C. LTC Quality Committee

7. Reports

- A.** Human Resources
Cindy Newman submitted a written report.
- B.** New Facility
Justin Wetzel with Arcadis submitted a written report.
- C.** Quality
Stephanie Romine submitted a written report.
- D.** Infection Prevention
Rachel Kandoll submitted a written report.
- E.** Executive Summary
CEO Phil Hofstetter submitted a written report
K. Bryson submitted grants report
WERC Open House Flyer
Thank you Letter to Senator Murkowski
- F.** Financial
Jason McCormick submitted a written report.

8. Old Business

- A.** Housing Update

9. New Business

- A.** Revised Budget Fiscal Year 2026
Action required.
- B.** Budget Presentation
- C.** Operating Budget
Action Required: Approval
- D.** Capital Budget
Action Required: Approval

10. Next Meeting

- A.** Currently scheduled for July 30th, 2026, at 5:30pm.

11. Executive Session

- A.** By motion the Board will enter into Executive Session to consider medical staff appointment or reappointments, and to discuss any legal and financial concerns.

12. Adjournment



Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
 Petersburg, AK 99833

Meeting Minutes
Hospital Board
Regular Meeting



Thursday, May 28, 2026

5:30 PM

Assembly Chambers

1. Call to Order/Roll Call

A. Call to Order

Board President Cook called the meeting to order at 5:30PM.

B. Roll Call

PRESENT

Board President Jerod Cook
 Board Secretary Marlene Cushing
 Board Member Joe Stratman
 Board Member Jim Roberts
 Board Member Joni Johnson

ABSENT

Board Vice President Cindi Lagoudakis
 Board Member Heather Conn

2. Approval of the Agenda

A. Approval of the May 28, 2026, Hospital Board Agenda

Motion made by Board Member Johnson to approve the May 28, 2026, Hospital Board Meeting Agenda, Seconded by Board Secretary Cushing. Voting Yea: Board President Cook, Board Secretary Cushing, Board Member Stratman, Board Member Roberts, and Board Member Johnson.

3. Approval of Board Minutes

A. Approval of the April 30, 2026, Hospital Board Minutes

Motion made by Board Member Stratman to approve the April 30, 2026, Hospital Board Meeting Minutes, Seconded by Board Member Johnson. Voting Yea: Board President Cook, Board Secretary Cushing, Board Member Stratman, Board Member Roberts, and Board Member Johnson.

4. Visitor Comments

none.

5. Board Member Comments

Board Member Johnson commented on the positive and well-deserved recognition given to Gavin O'Neil for the great work he has been doing in Youth Programs.

6. Committee Reports

A. Resource Committee

Board Member Roberts reported that the committee met Monday, May 25, 2026, to review and discuss PMC finances and resources. The committee reviewed some billing discrepancies that will be addressed by next meeting with clearer understanding of what looks to be a possible overcharge. The committee was also given a detailed verbal review of our RHTP proposal requests response by Katie Bryson that revealed our two most expensive proposals not being accepted at this time. Finances are looking good overall.

B. Foundation

Board Secretary Cushing reported the Petersburg Medical Center Foundation annual meeting was held May 6. Accounting and administrative reports were received. The paddle battle will be held August 8th and will again include paddling or biking followed by a picnic at Sandy Beach. It is the main fundraiser for PMCF scholarships. Applications for the high school scholarships were reviewed and recipients decided.

C. LTC Quality Committee

Board Member Johnson reported that the Long Term Care Quality Committee met on May 20th, 2026. The meeting included discussion on quality improvement initiatives, workflow updates, and implementation progress for new systems and training. Stephanie Romine was on site and shared that a visitor from a regional organization had recently visited and discussed partnerships and outreach efforts, particularly related to voluntary care and outpatient services. The group also discussed how organizational goals and quality projects are aligning closely with Centers for Medicare & Medicaid Services (CMS) priorities and reporting requirements. It was noted that many of the reporting processes are already in place, making alignment with CMS-supported initiatives a relatively smooth transition. Discussion also included the role of CMS-funded support organizations in assisting with quality improvement and survey readiness.

The committee briefly reviewed meeting logistics and minutes before transitioning into operational updates. Jennifer Bryner is working on policies that will allow PMC to better serve individuals in need of long-term care services while remaining in regulatory compliance. The draft policy is ready for internal review. An update was also provided regarding the new call light and device system installation. The devices and associated call lights have been fully installed, and Helen has been reviewing

training materials in preparation for scheduling staff training sessions with nursing personnel.

Board Secretary Cushing commented that she spoke with someone with a spouse in a facility elsewhere and learned that the spouse was experiencing a reluctance to leave the facility because their loved one had fallen so many times in that facility already. Cushing expanded on this as an example of how great of care PMC gives because things like that don't happen here due to the care and diligence given by employees, and the safeguards put in place.

D. Critical Access Hospital Quality Committee

Board Member Johnson reported the Critical Access Hospital Quality Committee met on May 20th, 2026. The committee reviewed ongoing action items and project updates. Challenges continue with the receipt of temperature-sensitive medications and laboratory supplies, particularly when delayed shipments result in disposal of products and operational disruptions for staff. The committee also discussed continued progress on quality improvement initiatives. During Stephanie's visit to Petersburg, a Mountain Pacific advisor met with Petersburg Medical Center in support of PMC's partnership with the Midwest Quality Innovation Network. The initiative will primarily focus on Home Health and the Outpatient Clinic, while also including Long-Term Care and the Critical Access Hospital. The advisor's role is to provide resources and support departments in developing, implementing, and achieving quality improvement goals related to patient care and service delivery.

7. Reports

A. Case Management/Swing Bed Management

Jolyn Duddles submitted a written report.

J. Bryner commented on submitted report and mentioned that Jolyn has been doing a wonderful job and is looking at metrics to follow and report out on in the next round of board reporting for Case Management and Swing Bed Management.

B. Chief of Staff

Dr. Selina Burt submitted a written report.

C. Clinic

Kelly Zweifel submitted a written report.

K. Zweifel, clinic manager, commented on her submitted report to highlight some changes in the department. She highlighted that the clinic now has a part-time in clinic nurse case manager that works with OB, and high-risk pediatrics. The case manager is also helping with lactation services. The clinic reports on hypertension quality and diabetes results as well as shows tracking of clinic availability. Kelly noted that one thing the clinic is focusing on is preventing no-shows. A major new development that is exciting is the direct primary insurance option. The clinic is hoping to have this live in June as they are just waiting on a few more details to ensure everything flows well through the EMR and business office. This model will feature direct primary care for preventative care, annual, and sick care for a monthly fee. CEO, P. Hofstetter, clarified

that PMC is able to offer this model under Senate Bill 45 and the rules of what can be offered and covered are legally defined by this Bill and not PMC.

D. Community Wellness

Julie Walker submitted a written report.

Julie Walker reported that the new Tai Chi class has started with about 15 new participants. This is in addition to the intermediate class which has 12-15 people regularly attending. The 3-year tobacco prevention and control grant is coming to an end June 30th. We did just receive the RFP for next year and plan to apply for it again. The call for art proposals for the WERC building has extended the deadline for proposals to June 30th as decided by the community subcommittee. The timeline remains the same for installation and completion, which is October 31st, with the funds spent completely by December 31st for compliance with the grant.

E. Youth Programs

Katie Holmlund submitted a written report.

Katie Holmlund provided several updates regarding the KinderSkog youth programs and scholarship initiatives. She reported that the low-barrier scholarship fund, designed to increase family access to enrollment opportunities and reduce financial barriers, has been highly successful. To date, nearly \$10,000 in scholarships has been awarded, with assistance capped at \$1,000 per family. In addition, PMC Financial Aid, which provides a higher level of support, has awarded nearly \$8,000, demonstrating a clear community need for these programs.

Katie also shared that the rates for the youth programs and KinderSkog remain significantly lower than comparable programs throughout the state, reflecting PMC's commitment to ensuring children have access to outdoor experiences and experiential learning opportunities. She expressed appreciation for the strong community support received, noting that of the nearly \$30,000 raised, the majority has come from individual donations. Katie thanked both community members and local businesses for their continued investment in supporting local youth.

Additionally, Katie reminded the Board that summer enrollment is now open. Approximately 1,300 hours of youth programming are planned for children ages 4 through 18, including a wide variety of summer camp and experiential learning opportunities.

F. Dietary

Jennifer Wood submitted a written report.

Jennifer Wood commented on her submitted report and introduced herself as the interim food service director. She reported that the staff change has been seamless and the department continues to put out meals to both residents and the employee meal program which continues to grow in popularity. Jennifer commented that staff are working hard and are helping to fill shifts when needed. She reported that she is working with quality department in planning for fresher, and less processed foods.

G. New Facility
Justin Wetzel with Arcadis submitted a written report.

H. Quality
Stephanie Romine submitted a written report.

Stephanie highlighted a few things in her report regarding the Workplace Satisfaction Survey done in April. Compared to 2024, in 2026 we increased overall satisfaction for employees from 84% to 91%, which is really incredible. This is well above the national averages. Stephanie noted that PMC has either stayed the same or increased satisfaction in all areas that were surveyed, since 2024. Significant progress has been made in a couple areas and PMC is dedicated to continuing to work on areas that have less satisfaction and to translate feedback into meaningful improvements. The overall feedback was extremely positive.

I. Infection Prevention
Rachel Kandoll submitted a written report.

J. Executive Summary
CEO, Phil Hofstetter, submitted a written report.
Katie Bryson submitted grants report.

The CEO, Phil Hofstetter, reported ongoing engagement with state and federal legislators visiting Petersburg during the legislative season. Appreciation was expressed for the strong collaboration and communication with the Borough Assembly and Mayor Lynn, particularly in coordinating meetings and facility tours with visiting officials. Former Senator Click Bishop toured both the current and new facilities, with discussions focused heavily on infrastructure needs, aging facilities, and capital support. Senator Lisa Murkowski also came to visit for a facility tour, recognizing her role in helping secure appropriations funding for PMC projects, specifically the WERC building. Additional conversations were held with Representative Mary Peltola regarding capital priorities and healthcare support. Continued support from Alaska’s legislative delegation was acknowledged and appreciated.

Discussions with legislators emphasized the challenges associated with maintaining aging healthcare infrastructure and the importance of continued capital investment. Facility tours highlighted both existing operational needs and future development projects.

PMC continues efforts to expand specialty healthcare services locally. Discussions are underway with orthopedic and cardiology specialists regarding future contracted specialty clinics, including orthopedic care and cardiac ultrasound/echocardiography services. There is strong interest in developing these services to meet identified community healthcare needs. Existing specialty clinic rotations, including scope clinics, continue to operate successfully on a recurring schedule.

Progress continues on the development of a Direct Primary Care program. Hofstetter acknowledged the complexity of implementing the program, including coordination with vendors and technical processes, but expressed enthusiasm about moving the initiative forward.

Recognition was given to Jennifer Wood for stepping into a leadership role within dietary and food services and providing strong departmental support and organization. Staff within the department were commended for their continued excellent work and teamwork.

PMC leadership has been involved with the local school district regarding changes to employee insurance coverage and payer networks. Efforts are underway to ensure PMC remains in-network as the community's primary healthcare provider and that reimbursement contracts remain equitable. Hofstetter emphasized the importance of maintaining access to care for school employees and managing payer negotiations carefully.

The organization recently underwent additional regulatory survey activity, including follow-up review related to prior survey processes. Hofstetter reported positive feedback from surveyors regarding the quality of care provided in long-term care and across the organization. Staff were commended for their professionalism, dedication, and the strong culture of care throughout long-term care, hospital services, primary care, home health, and childcare services. The organization continues to demonstrate a strong commitment to patient care and community service.

K. Financial

Jason McCormick submitted a written report.

The CFO reported continued growth in patient volumes as the organization transitions from winter into the spring and summer months. Primary care clinic visits increased, supported in part by specialty services including GI and colonoscopy clinics. Year-to-date clinic visits are up 4.2% compared to the prior year. Radiology and laboratory services remain steady, with laboratory volumes benefiting from the recent health fair. Rehabilitation services have expanded with a fully staffed therapy team, increasing service availability. Home health volumes remain strong and are up approximately 20% year-to-date compared to the previous year. Emergency department visits are also beginning to trend upward seasonally as summer activity increases.

Long-term care resident days have been slightly lower over the past several months; however, leadership noted this is not currently a concern due to the ongoing rebasing period, which may positively impact future reimbursement rates. Swing bed utilization and inpatient services remain stable.

Financial performance continues to remain strong. Gross revenues for the month exceeded budget, and year-to-date revenues are approximately \$1.5 million above the prior year. Total operating revenues also exceeded budget expectations. Leadership noted continued positive effects from improvements in Medicare reimbursement estimates and revenue cycle recovery efforts resulting from the transition to in-house business office operations.

Bad debt levels remain favorable as older accounts continue to be collected successfully. 340B revenues remain positive overall, although recent federal changes to the program have resulted in approximately a 20% reduction in expected revenue compared to prior levels.

Expenses remain slightly above budget, primarily related to utilities, repairs and maintenance for the aging facility, employee benefits, and contract labor costs. J. McCormick emphasized the importance of employee engagement, recruitment, and retention efforts in addressing workforce challenges.

Overall operating performance remains positive, with continued strong cash reserves, improved accounts receivable performance, and stable financial indicators. Days cash on hand, accounts receivable metrics, and accounts payable performance were all reported as favorable and indicative of stable operations.

The finance team is currently finalizing the FY budget for upcoming board review. Additional work is underway related to year-end audit preparation, policy and procedure updates, and strengthening internal controls to address prior audit recommendations.

Grant Activity and Rural Health Transformation Program (RHTP) Updates – Katie Bryson

An update was provided on PMC’s Rural Health Transformation Program grant applications. PMC submitted seven proposals through the program. Two large capital-related proposals, including facility design and critical medical equipment projects, were not advanced during the current funding cycle but may be resubmitted in smaller components during future rounds. One planning project focused on maternal and early childhood health is expected to receive funding and would support expansion of lactation consulting services and assessment of additional supports for pregnant and parenting families. Four additional projects advanced to the next competitive phase as implementation projects, including: Telehealth expansion, Behavioral health services, Shared medical office collaboration with critical access hospital partners, and Home and community-based services expansion. These projects will require submission of a second-round application and will compete for additional funding consideration. K. Bryson noted that Alaska has moved quickly in implementing the Rural Health Transformation Program compared to many other states and expressed appreciation for the organization’s preparedness and strong grant development efforts.

8. Old Business

A. PMC Housing Update

Human Resources, Cindy Newman, updated that we are at 20 apartments and will be getting an additional apartment July 1st. It was also noted that the materials department will be getting a van to use, which has been much needed.

9. New Business

none.

10. Next Meeting

A. Currently scheduled for June 25, 2026, at 5:30pm.

11. Executive Session

- A. By motion the Board will enter into Executive Session to consider medical staff appointments and/or reappointments and discuss any legal and financial concerns.

Motion made by Board Secretary Cushing to enter into Executive Session to consider medical staff appointments and/or reappointments and discuss any legal and financial concerns. Seconded by Board Member Roberts. Voting Yea: Board President Cook, Board Secretary Cushing, Board Member Stratman, Board Member Roberts, and Board Member Johnson.

Motion made by Board Secretary Cushing to come out of Executive Session, Seconded by Board Member Johnson. Voting Yea: Board President Cook, Board Secretary Cushing, Board Member Stratman, Board Member Roberts, and Board Member Johnson.

Motion made by Board Secretary Cushing to appoint Jerrell Ingalls, MD Radiology, John Dorhman, MD Radiology, and Joshua White, MD Locum Tenen, Seconded by Board Member Stratman. Voting Yea: Board President Cook, Board Secretary Cushing, Board Member Stratman, Board Member Roberts, and Board Member Johnson.

12. Adjournment

Motion to adjourn made by Board Secretary Cushing, Seconded by Board Member Johnson. Voting Yea: Board President Cook, Board Secretary Cushing, Board Member Stratman, Board Member Roberts, and Board Member Johnson.

Meeting adjourned at 7:15PM.

PETERSBURG MEDICAL CENTER
BYLAWS OF THE HOSPITAL BOARD

DEFINITIONS

1. The term "Hospital" shall mean the Petersburg Medical Center.
2. The term "President" shall refer to the then acting President of the Board as further defined in Article IV of these Bylaws.
3. The term "Medical Staff" shall refer to the organized Medical Staff as further defined in Article VII of these Bylaws.
4. The term "Board" shall refer to the Board of Directors of the Hospital as defined in Article II of these Bylaws.
5. The term "Chief Executive Officer" or "CEO" shall refer to the Chief Executive Officer of the Hospital as defined in Article VI of these Bylaws.
6. The term "Medical Director" refers to the Medical Director of the Hospital who works closely with the executive management team of the Hospital to implement strategies that enhance patient care and improve the practice of medicine within the Hospital.

ARTICLE 1
NAME AND PURPOSE

The Petersburg Medical Center is referred to in these Bylaws as the "Hospital." The Hospital is operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law) (the "Code") and is owned by the Petersburg Borough and is a component of the Petersburg Borough. The governing body of the Hospital is the Petersburg Medical Center Board, referred to in these articles as the "Board."

The purpose of the Hospital is:

- 1) To provide quality health care services to the residents and visitors of Petersburg and the surrounding area within the available resources

without regard to race, creed, age, sex, handicap, socioeconomic status, or national origin.

- 2) To promote and improve health in the community through education, preventive medicine, and quality health care.
- 3) To take actions and make choices that will best ensure the financial stability of the Hospital into the future, and thereby ensure the availability of health care services today and tomorrow.

ARTICLE II
BOARD OF DIRECTORS

SECTION 1. POWERS. The Board shall be the governing body of the Hospital, overseeing the management of its business and affairs, including management of patient care, in a manner consistent with those powers granted to it by the Charter of the Petersburg Borough, the Petersburg Municipal Code, these Bylaws, and other applicable law reasonably incident and necessary for the management of the Hospital.

SECTION 2. MEMBERSHIP. Membership of the Board is in accordance with the Charter of the Petersburg Borough and the Petersburg Municipal Code. As such, Board members must be a qualified Petersburg Borough voter and have resided in the borough for a period of one year prior to taking office. The Board shall be composed of no more than seven (7) voting members. Each member shall serve a three-year term, and the terms must be staggered to allow for the uninterrupted continuation of Board functions. Notwithstanding anything in Article II to the contrary, membership, qualifications, and appointment of members of the Board shall be controlled and governed by the laws of Alaska as it presently exists or may hereafter be amended from time to time.

SECTION 3. VACANCIES. In the event of vacancy on the Board prior to a regularly scheduled election, the Board will follow Borough Charter Section 3.04.060 to fill the vacancy.

SECTION 4. QUALIFICATIONS. No Board member shall be an employee of the Hospital during any part of his/her term of office, or have served as an employee of the Hospital within the preceding twelve (12) month period.

SECTION 5. ABSENCES/ATTENDANCE. A vacancy is created on the Board for any of the reasons stated in Borough Charter Section 3.50.020 (B) and Borough Charter Section 2.04 (A) and (B).

ARTICLE III
MEETINGS

SECTION 1. AUTHORITY ON PROCEDURE. The latest available edition of ROBERTS RULES OF ORDER, REVISED, shall apply to all questions of procedure not specified in these Bylaws.

SECTION 2. REGULAR MEETING. Regular meetings shall be held monthly, or no fewer than ten (10) times per year, at a time and place designated by the Board after the installation of officers. Regular meetings may be suspended or postponed by the President or by a quorum of the Board.

SECTION 3. SPECIAL MEETINGS. Special meetings may be called by the President of the Board or by a quorum of the Board. No less than three (3) days' notice shall be given to allow for notification of the Board and public advertising in accordance with Alaska law.

SECTION 4. QUORUM. Four Board members, attending in person, telephonically, or electronically, shall constitute a quorum for the transaction of all business of the Board.

ARTICLE IV
OFFICERS

SECTION 1. OFFICERS. The officers of the Board shall be the President, Vice-President, and Secretary.

SECTION 2. ELECTION OF OFFICERS. Election of officers shall be held annually, at the first meeting following the general municipal election. Nominations shall be made from the floor, followed by the election. A majority vote of all members of the Board shall be necessary to elect. The terms shall begin upon adjournment of the meeting at which the election is held.

SECTION 3. PRESIDENT. The President shall preside at all meetings of the Board and shall exercise and discharge other powers and responsibilities as may be required by the Board, by these Bylaws, or by the Medical Staff Bylaws. The President's responsibilities may include, but are not limited to making recommendations to the Board, from time-to-time, as the President determines appropriate, on policies and matters that the President believes require Board action, as well as attending meetings of the Board and Medical Staff unless the President appoints a designee. The President will also serve as liaison among the Board, the Medical Staff, and the Hospital.

SECTION 4. VICE-PRESIDENT. The Vice-President shall, in the absence or refusal to act of the President, perform the duties of the President, and shall perform all such other duties as may be required by the Board, by these Bylaws, or by the Medical Staff Bylaws.

SECTION 5. SECRETARY. The Secretary of the Board shall keep an accurate record of all meetings of the Board; shall conduct all correspondence of the Board as directed; shall file all documents and correspondence belonging to the Board; shall keep these Bylaws and the Medical Staff Bylaws current for reference; and shall conduct an election of a President pro-tem in the event that the President and vice- President are absent from or otherwise unable to participate in a meeting of the Board. The secretary may receive assistance from Hospital staff in carrying out these duties and responsibilities.

SECTION 6. TERM OF OFFICE. The term of office for all officers shall be one year. Officers shall be eligible for re-election to the same or other positions as officers.

SECTION 7. REMOVAL OF OFFICERS. Any officer may be removed with cause by a two-thirds majority vote of the Board for any of the reasons enumerated in the Borough Charter Section 2.04 (B).

ARTICLE V
COMMITTEES OF THE BOARD

SECTION 1. COMMITTEES GENERALLY. Committees of the Board may be standing or special. Each committee shall exercise such power and carry out such functions as are designated by these Bylaws or are delegated by the Board. Except as otherwise specified in this Article V, each committee shall adhere to the following procedures:

- A. Meetings. The President of the Board or committee chair shall determine the schedule that each committee shall be required to meet. Reasonable notice of the meetings of any committee shall be given to the committee members and to the President and any such other individuals as may be designated by the Board from time to time, each of whom shall have the right to attend and participate in the deliberations of the committee except as otherwise expressly noted in these Bylaws. The President of the Board or the committee chair may invite to any committee meeting such individuals as they may select who may be helpful to the deliberations of the committee.
- B. Minutes. Each committee shall record minutes of its deliberations, recommendations, and conclusions and shall deliver a draft copy of such minutes to the Secretary, the President, and such other individuals

designated by the Board from time to time for review and comment prior to completion.

- C. Quorum. Subject to the provisions otherwise identified in these Bylaws, a majority of the members of each committee shall constitute a quorum for the transaction of business.

- D. Rules. Each committee may adopt rules for its own operations and that of its subcommittees consistent with these Bylaws or the policies of the Board. The Board must approve any such rules before they become effective.

SECTION 2. APPOINTMENT TO COMMITTEES. The chair and members of each committee, except as otherwise provided in these Bylaws, shall be appointed annually by the President and confirmed by a majority of the Board.

SECTION 3. STANDING COMMITTEES. Standing committees shall consist of the Quality Improvement Committee, Joint Conference Committee, and the Resource Committee.

- A. QUALITY IMPROVEMENT COMMITTEE. The Quality Improvement Committee shall review and report on matters of patient care and safety of patients, staff, and Hospital visitors. This committee shall identify, assess, and recommend solutions of Hospital-wide problems concerning the standard of care provided by the Hospital's employees, agents, independent contractors, and Medical Staff. The committee shall review and report on systems of performance evaluation for all clinical and administrative staff; membership by individuals on the Medical Staff; scope of privileges held by members of the Medical Staff and others; and litigation and claims related to malpractice, non-feasance or misfeasance by employees, agents, independent contractors, and members of the Medical Staff. The committee shall include, at a minimum, one member of the Board, the CEO, the director of nursing, the medical records director, and one member of the Medical Staff. The committee shall meet at least ten (10) times per year, and shall report to the Board as requested by the President.

- B. RESOURCE COMMITTEE. The Resource Committee shall review and make recommendations to the Board with respect to the financial and strategic planning needs and activities of the Hospital. These include, but are not limited to, debt structure; purchase, sale or encumbrancing of real property; financial feasibility of projects; adoption of the annual budget; policies of the Hospital on bad debts; donated services; insurance held by the Hospital;

reports of the auditors; and other matters that might affect the financial condition and future direction of the Hospital.

- C. JOINT CONFERENCE COMMITTEE. The Joint Conference Committee shall act as an intermediary between the Board and the Medical Staff. It shall consist of the President of the Board, the CEO, and the Chief of Medical Staff. In the absence of the President, another officer of the Board shall represent the Board.

The chair of the committee shall alternate annually between the President, who shall serve in even-numbered years, and the Chief of the Medical Staff, who shall serve in odd-numbered years. An alternate chair may be appointed by mutual agreement of the President and the Chief of the Medical Staff.

The Joint Conference Committee shall hear grievances and make recommendations to the Board and to the Medical Staff. It shall review proposed amendments to the Medical Staff Bylaws and rules and regulations. The committee shall meet quarterly or at the request of the President or the Chief of the Medical Staff, and shall report to the Board as requested by the President.

SECTION 4. SPECIAL COMMITTEES. Special committees may be designated by the President with the approval of a majority of the Board. A special committee shall limit its activities to the task for which it is appointed. Upon completion of the task for which it was appointed, a special committee shall be dissolved without further Board action.

SECTION 5. AUXILIARY AND ASSOCIATED ORGANIZATIONS. The Board may authorize the formation of auxiliary and associated organizations to assist in the fulfillment of the purposes of the Hospital. Each such organization shall exercise such power and carry out such functions as are designated by these Bylaws or delegated by the Board. Each organization shall keep regular minutes of its proceedings and shall report to the Board when requested to do so.

ARTICLE VI
Chief Executive Officer (CEO)

SECTION 1. SELECTION, AUTHORITY, AND EVALUATION OF CEO. The Board shall select and employ a competent and experienced CEO who shall be its direct executive representative in the management of the Hospital.

The CEO shall have the general supervision, administration and direction of all the Hospital's activities and departments, in accordance with the Petersburg Municipal Code and subject to the direction of the Board. The CEO shall perform all the duties

commonly incident to his/her office and authorized by the Petersburg Municipal Code. The CEO shall act as the Board's duly authorized representative in all matters in which the Board has not formally designated some other person for that specific purpose.

The Board shall evaluate the performance of the CEO annually based on mutually agreed upon goals and objectives. This evaluation shall be performed in an executive session of the Board and a written record of the evaluation shall be made part of the personal and confidential file of the CEO.

SECTION 2. RESPONSIBILITIES AND DUTIES. Responsibility and duties of the CEO shall include, but not be limited to:

- A. Responsibility for carrying out all policies established by the Board;
- B. Preparation and submission to the Board for approval of a plan or organization of the personnel and others concerned with the operation of the Hospital;
- C. Preparation of an annual budget showing the expected revenue and expenses of the Hospital;
- D. Selection, employment, control and discharge of all employees, including the development and maintenance of personnel policies and practices of the Hospital;
- E. Responsibility for the repair and operating condition of all physical properties;
- F. Supervision of all business affairs of the Hospital and ensuring that all funds are collected and expended to the best possible advantage to the Hospital;
- G. Working with the Medical Staff and with all those concerned with providing professional services to the Hospital so that the best possible care may be rendered to all patients;
- H. Preparation of periodic reports to the Board reflecting the activities of the Hospital, and the preparation of any special reports as may be requested by the Board;
- I. Attendance at all meetings of the Board;
- J. Performance of any other duty assigned by the Board or that may be necessary in the interests of the Hospital;

- K. The CEO shall be responsible for establishing policies for services provided by individual volunteers.

ARTICLE VII
MEDICAL STAFF

SECTION ONE. ORGANIZATION, APPOINTMENTS AND HEARINGS.

- A. The Medical Staff shall be organized into a responsible administrative unit, and be a self-governing body, having its own Bylaws, rules, policies and regulations, subject to approval by the Board. It shall be comprised of physicians who are graduates of recognized medical schools.
- B. The Medical Staff shall be responsible to the Board for the scientific work and the clinical work of the Hospital and it shall respond to the Board when called upon to advise the Board regarding professional problems and policies.
- C. The Medical Staff shall make recommendations to the Board on individuals who apply for appointment to the Medical Staff, allied health professional staff, and dependent practitioner staff, and the Board shall consider the Medical Staff's recommendations in deciding whether the applicant should be appointed. Any differences in recommendations concerning Medical Staff appointments, reappointments, terminations of appointments, and the granting and revision of clinical privileges shall be resolved within a reasonable period of time by the Board and the Medical Staff. Each appointee to the Medical Staff shall have the appropriate authority to care for their patients subject to such limitations and restrictions as are contained in these Bylaws and in the policies, Bylaws, rules and regulations for the Medical Staff, and, further subject to any limitations which may be attached to his or her appointment. Final authority and responsibility governing the Medical Staff shall reside with the Board.
- D. The Board shall specify the authority and responsibility for selection of Medical Staff officers, section chairmen, and any other positions deemed appropriate by the Board.
- E. The Medical Staff shall recommend to the Board the appointment of the medical and surgical privileges for each member of the Medical Staff annually.

SECTION TWO. MEDICAL CARE AND ITS VALUATION.

- A. The Board shall assign to the Medical Staff reasonable authority for ensuring appropriate professional care of the Hospital's patients. The Medical Staff is responsible for the review/revision of policies and procedures that affect the Medical Staff as warranted. The period between reviews shall not exceed three (3) years.
- B. The Medical Staff shall conduct an ongoing review and appraisal of the quality of professional care rendered in the Hospital and shall report such activities and the results to the Board.
- C. The Board may refer specific matters to the Medical Staff for their consideration and recommendations concerning:
 - 1. Appointments, reappointments and other changes in staff status;
 - 2. Granting of clinical privileges;
 - 3. Disciplinary actions; and
 - 4. All matters relating to professional competency.
- D. The Board shall ensure the Medical Staff contributes to the quality of care by coordinating their work with that of other leaders and those responsible for governing the organization. The Board shall also:
 - 1. Ensure all Medical Staff members responsible for assessing, caring for, or treating patients are clinically competent and that clinical care rendered is appropriate; and
 - 2. Ensure the Medical Staff contributes to the organization's planning, budgeting, safety management, and overall performance improvement activities.

SECTION THREE. The Board shall invite the Chief of the Medical Staff or its designee to its regularly scheduled meetings, The Chief of the Medical Staff or designee as spokesman for the Medical Executive Committee ("MEC") will be required to present the activities carried out and the recommendations made by the Medical Staff and MEC during the preceding month, as appropriate. These recommendations may include:

- A. The structure of the Medical Staff
- B. The mechanism used to review credentials and to delineate individual clinical privileges.

- C. Individuals for appointment to the Medical Staff.
- D. Delineated clinical privileges for each eligible individual.
- E. The Medical Staff's participation in organization-wide performance improvement activities.
- F. The mechanism by which appointment on the Medical Staff may be terminated.
- G. The mechanism for the fair-hearing process.

SECTION FOUR. The Medical Staff shall adopt policies, Bylaws, rules and regulations and amendments as may be appropriate, setting forth its organization and governing its conduct. These policies, Bylaws, rules and regulations and any amendments thereto are subject to the approval of the Board.

SECTION FIVE. FAIR HEARING. The Board of Directors shall require that any adverse recommendation made by the Medical Executive Committee or any adverse action taken by the Board with respect to a practitioner's Medical Staff appointment, reappointment, category, admitting prerogatives, or clinical privileges, shall, except under circumstances for which specific provision is made in the Medical Staff Bylaws, be accomplished in accordance with the fair hearing provisions of the Medical Staff Bylaws, then in effect. These fair hearing provisions shall provide for procedures to assure fair treatment and afford opportunity for the presentation of all pertinent information. For the purpose of this Section, an "adverse recommendation" of the Medical Executive Committee and "adverse action" of the Board of Directors shall be as defined in these fair hearing provisions.

ARTICLE VIII
INDEMNIFICATION

To the extent permitted by the Charter of the Petersburg Borough and the Petersburg Municipal Code, the Hospital shall indemnify, defend and hold harmless the CEO, the Chief of the Medical Staff, and any Board Member who was or is made a party, or is threatened to be made a party, to any threatened, pending or completed action, lawsuit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was an officer, representative, employee or agent of the Hospital, or is or was serving as an officer, representative, employee or agent of the Hospital in any matter, including a peer review proceeding or in any proceeding relating to the discipline or licensure of a Medical Staff member, against all expenses, attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by that person in connection with the action, suit or proceeding, if he or she acted in good

faith and in a manner he or she reasonably believed to be in the best interest of the Hospital, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

The determination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of a *nolo contendere* or equivalent, shall not, by itself, create a presumption that the person did not act in good faith or in a manner which he or she did not reasonably believe to be in the best interests of the Hospital and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Except as otherwise set forth in this Article VIII, the Hospital may not indemnify an CEO, Chief of Medical Staff, or Board Member (i) in connection with any proceeding by or in the right of the Hospital in which the individual is or has been adjudged liable to the Hospital; or (ii) in connection with any other proceeding charging that the individual derived an improper personal benefit, whether or not involving action in an official capacity, in which proceeding the individual was adjudged liable on the basis that the individual derived an improper personal benefit. Notwithstanding the foregoing, the Hospital shall indemnify any CEO, Chief of the Medical Staff, or Board Member to the extent properly ordered to do so by a court of competent jurisdiction.

ARTICLE IX
CONFLICT OF INTEREST

A Board member shall be considered to have a conflict of interest if he or she has an existing or potential financial interest which impairs or might reasonably appear to impair such member's independent, unbiased judgment in the discharge of his or her responsibilities to the Hospital. All Board members shall disclose to the Board any possible conflict of interest at the earliest practical time.

A Board member shall recuse himself or herself from voting or otherwise participating in any matter under consideration at a Board or committee meeting in which he or she has a conflict of interest. The minutes of each meeting shall reflect any recusals. A Board member who is uncertain whether a conflict of interest exist in any matter shall disclose the possible conflict and request the Board or committee to resolve the question by majority vote without his or her participation.

ARTICLE X
DISSOLUTION OF HOSPITAL

If the Hospital Board is dissolved and/or the operations of the Hospital cease, the assets of the Hospital will revert back to the Borough or such other governmental entity identified by the Borough for a public purpose, or to such other nonprofit corporation

identified by the Borough for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

ARTICLE XI
ADMENDMENTS

These Bylaws may be amended or have additional articles or sections added at any regular meeting of the Board by four votes, provided the amendment or additions have been submitted in writing and read at the previous regular meeting.



Human Resources Report June 2026

Workforce Wellness

PMC Human Resources January – June 2026.

During the first 6 months of 2026, the Human Resources Department, comprised of Cynthia Newman, full-time Human Resources Director, and Scott Zweifel, full-time Human Resources Technician, continued to manage a substantial workload while supporting approximately 200 employees. Responsibilities included recruitment, onboarding, employee relations, benefits administration, payroll, compliance activities, employee separations, and the frequent transitions associated with travel staff (locums). The department also coordinated student placements and seasonal workforce needs related to PMC's Youth Programs and Intern programs.

Scott and I worked closely to ensure continuity of operations during periods of short staffing related to PTO, FMLA leave, terminations and the ongoing transitions of full time, part time, seasonal, and travel staff. In addition to traditional HR functions, we managed the significant logistical demands associated with travel staff housing, intermittent housing and student housing including coordination of up to 21 apartments, and oversight of 16 PMC vehicles. While our overall situation remains much the same as in previous reporting periods, the increasing complexity of onboarding requirements for both permanent and travel staff, combined with the administrative demands associated with housing and transportation coordination, continues to place pressure on a 2-person HR team.

To better support organizational needs and improve operational efficiency, Human Resources is exploring the addition of a part time Human Resources Technician position. This role would focus primarily on recruitment activities, interview scheduling, and the onboarding requirements for PMC employees and travelers. Redirecting these time-intensive functions would allow the department to maintain a high level of service while strengthening our ability to focus on employee engagement, wellness initiatives, compliance, retention efforts, and strategic workforce planning. Despite these ongoing challenges, department morale remains positive. Through consistent communication, responsiveness, and collaboration with leadership, Scott and I remain committed to supporting PMC employees and fostering a workplace culture that prioritizes wellness, safety, professionalism, and retention.

PMC New Hires / Rehires

Our workforce numbers continued to increase in 2026 as we worked to maintain the personnel needed to support facility operations. During the first six months, HR processed a total of 23 new hires and rehires, including employees and travelers. The breakdown is as follows:

- Travel Agency Hires (new): 11
- Travelers (PMC paid): 1
- Benefitted Employees (new): 4
- Seasonal Employees: 4
- Agency Rehires: 1

- o PMC Rehires: 2

PMC Terminations / Leaves of Absence (LOA)

In 2026, PMC experienced 9 employee terminations and 4 agency terminations. PMC currently has 8 employees on LOA and 8 travelers on LOA.

Workforce Stability / Persistent Vacancies

PMC continues to focus on stabilizing its workforce while addressing recruitment needs across multiple departments. Although overall employee turnover has remained relatively low, the organization continues to experience persistent vacancies in several critical positions. Currently, PMC is actively recruiting in 13 different areas throughout the organization. As noted previously, the challenges facing PMC are less related to employee retention and more reflective of the ongoing difficulty in attracting qualified healthcare professionals to a remote Alaska community. In some instances, vacancies have remained open for years; for example, a Radiology Technologist position has been vacant since January 2022. To maintain access to essential services and ensure continuity of patient care, PMC continues to rely on travel staff to supplement its permanent workforce in these hard-to-fill positions. Recruitment efforts remain focused not only on identifying clinically qualified candidates, but also on finding individuals who align with PMC's organizational culture and are prepared for the unique opportunities and challenges associated with living and working in a rural Alaska community.

PMC Longevity Celebrations

PMC is proud to recognize 8 employees who are achieving significant service milestones during 2026. These milestones reflect the dedication, experience, and commitment of staff who contribute to the continued success of the organization.

<u>10 Years</u>	<u>15 Years</u>	<u>20 Years</u>	<u>30 Years</u>
Stephanie Romine	Angela Bertagnoli	Mamie Nilsen	Jennifer Bryner
Traci Vinson	Liz Thomas	Elise Kubo	
	Helen Boggs		

Community Engagement

PMC remains dedicated to providing meaningful work experiences for our local youth. The Information Technology (IT) internship positions implemented previously were successfully completed and, based on departmental needs, those positions were not renewed for 2026. PMC continues to support internship opportunities in other areas, including the return of a Plant Operations intern and the recruitment of an Activities Intern. In addition, Youth Programs continued their employment of minors within that department, providing valuable work experience and skill development opportunities.

Employing minors requires close collaboration between Human Resources, department leadership, and supervisors to ensure a positive and compliant work environment. These experiences promote career exploration, foster connections between young people and healthcare professionals, and strengthen PMC's relationship with the community by demonstrating the variety of career opportunities available within a healthcare organization.

Youth employees are held to the same employment standards as adult employees, ensuring safety, accountability, and compliance with applicable regulations. Requirements include completion of all pre-employment processes, an approved State of Alaska background clearance for individuals 16 years of age and older, successful completion of drug screening requirements (including marijuana testing), and participation in all mandatory onboarding and training activities.

Patient Centered Care (Support)

While Human Resources does not provide direct patient care, HR helps departments maintain staffing levels, support regulatory compliance, and promote a safe environment for both patients and employees. Despite the ongoing challenges associated with frequent staffing transitions and the administrative demands of onboarding and offboarding, HR remains committed to supporting the workforce that delivers patient care.

Facility

There have been no significant changes to Human Resources facilities operations since the last report. The Human Resources Department continues to operate across both the WERC Building and the main hospital site to ensure accessibility and support for employees and departments.

Due to HR's responsibilities spanning two locations, staff continue to divide their time between the WERC Building and the main site. At present, Scott spends approximately 90% of his time at the main hospital campus, where the majority of onboarding activities and HR-related processes occur. I remain primarily based at the WERC Building while maintaining regular presence at the main site as needed. This arrangement requires ongoing coordination and flexibility to ensure consistent communication, accessibility, and support for employees and managers across the organization. HR will continue to evaluate workflows and space utilization to support efficient operations while maintaining a visible and responsive presence at both facilities.

Financial Wellness

HR remains committed to balancing fiscal responsibility with the continual need to recruit, onboard, and retain qualified employees who support our mission and values. Throughout the year, efforts have focused on monitoring expenses carefully, identifying efficiencies within existing processes, and making use of available resources. HR is streamlining recruitment and onboarding practices, as well as the gradual transition of select functions to electronic formats to reduce administrative burden and improve accessibility. At the same time, the department remains committed to supporting employee longevity awards and recognition activities that acknowledge the dedication, service, and contributions of PMC employees.

I've attached graphs on the breakdown from January – June 2026 of a PMC overview, employees' generational demographics and gender.

Dashboard

Average Tenure ⓘ

5.4

(Years)

Turnover Rate ⓘ

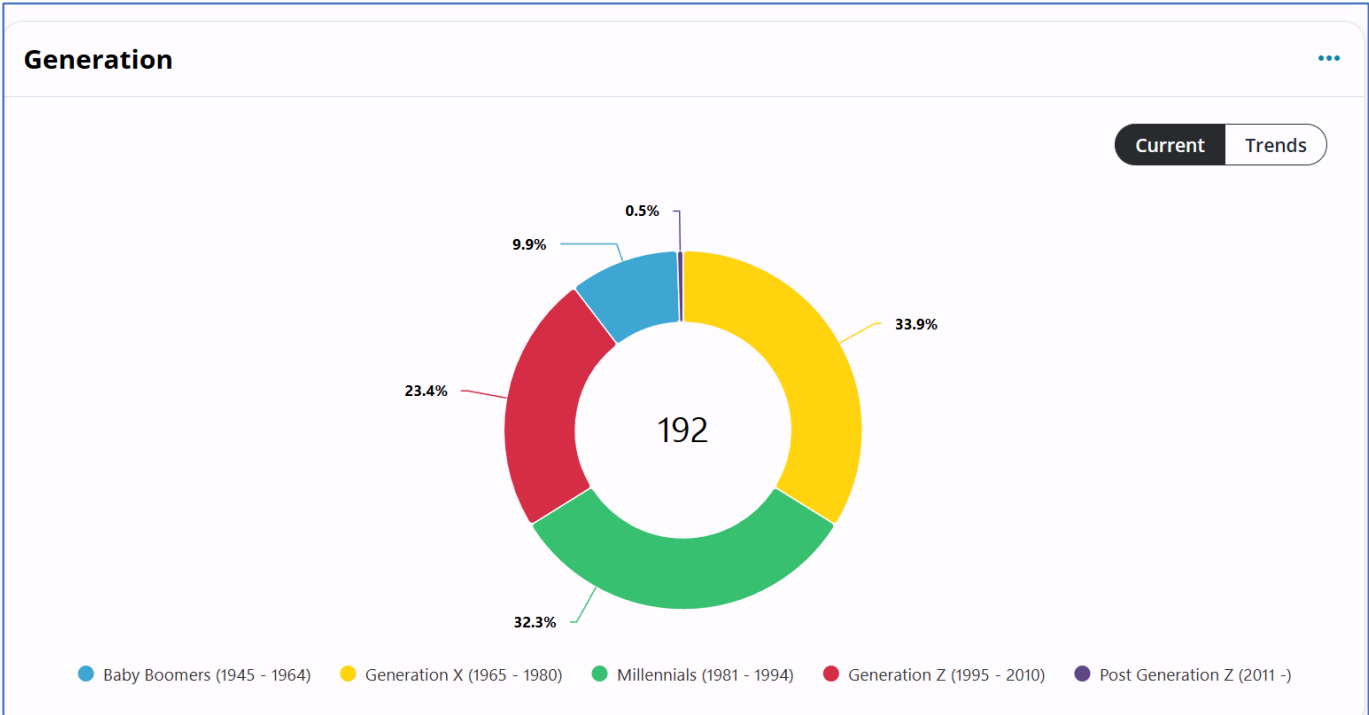
5.3%

Headcount ⓘ

192

As of Jun 2026

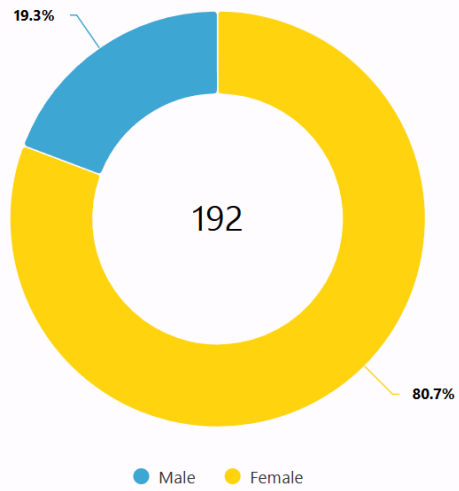
Generational Support



Generation X (1965-1980) – 65, Millennials (1981-1994) – 62
Generation Z (1995-2010) – 45, Baby Boomers (1945-1964) – 19
Post Generation Z (2011 on) - 1

Workforce Makeup

Gender (Legal)



Female - 155, Male - 37

Submitted by: Cynthia Newman



Petersburg
MEDICAL CENTER

 ARCADIS

New Facility Construction Report June 2026

Sitework

The SWPPP (Storm Water Pollution Prevention Plan) has officially closed out.

Notice of Termination has been accepted, see below:

5/4/2026

CLOSE-OUT LETTER

18 AAC 83 Alaska Pollutant Discharge Elimination System General Permit for Discharges from Large and Small Construction Activities, permit number AKR100000, authorization number AKR10H0F2

Re: Permit Number: **AKR10H0F2 v1.3**

Thank you for submitting a Notice of Termination (NOT) form, terminating coverage under ADEC's Stormwater Construction General Permit (CGP), based on your statement that the reason for termination is: *Final stabilization has been achieved on all portions of the site for which you are responsible.*

WERC Building

Dawson remobilized to the WERC building this month and did some small upgrades to interiors, hardware, and made some minor repairs from wind damage over the winter.

New Long-Term Care/Hospital

Phase 1 – Sitework, completed.

Phase 2 – WERC Building, completed.

Phase 3 – Long Term Care (LTC), awaiting funds to advance design.

Phase 4 – Hospital, awaiting funds to advance design.

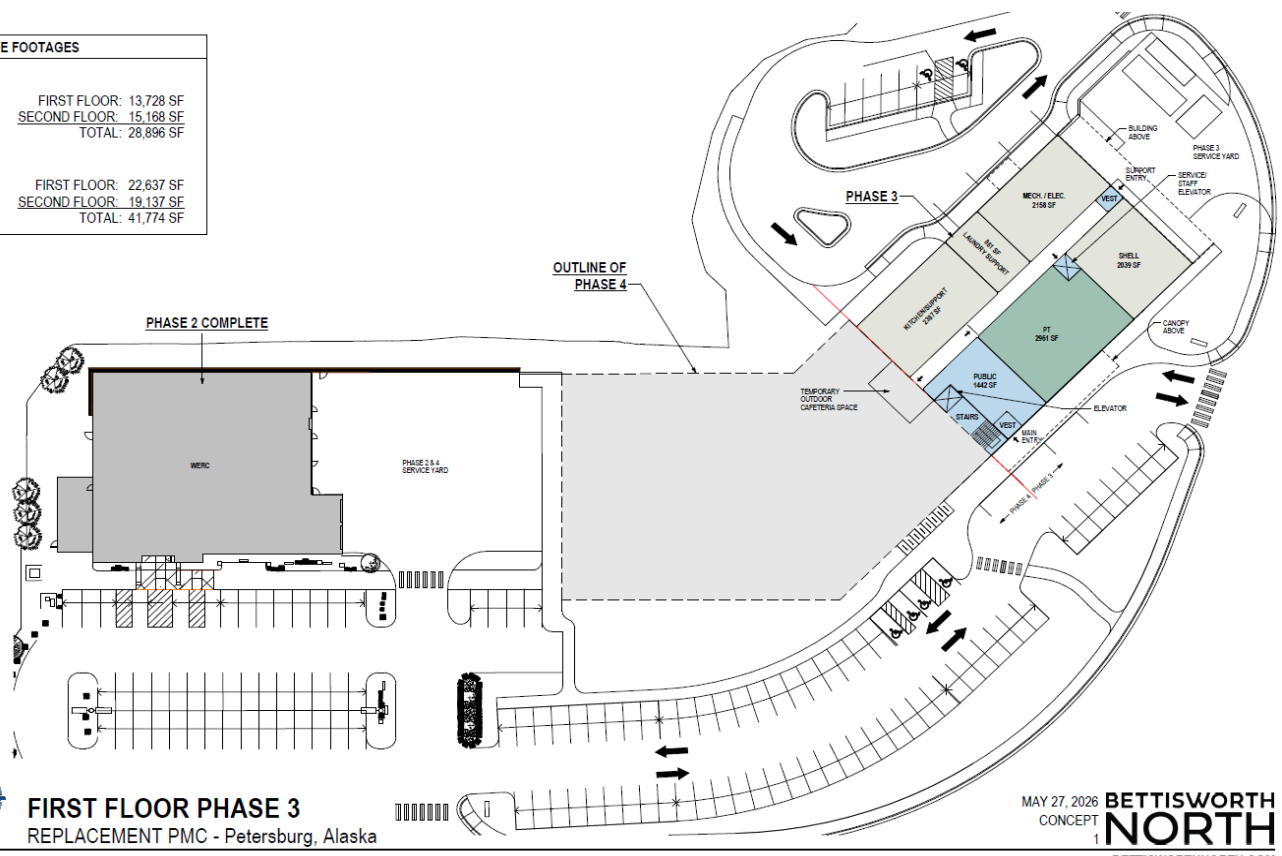
Grant applications have been submitted to the RHTP (Rural Health Transformation Program) for funds to cover design fees, which would produce a complete campus construction drawing set and specification. The status of the grant award was deferred.

Upcoming Activities

- Obtain funding to advance LTC/Hospital design.
- Be postured for starting construction of LTC in the spring of 2027 if possible.

Updated May 27th – PMC Replacement Campus Plan/Concept

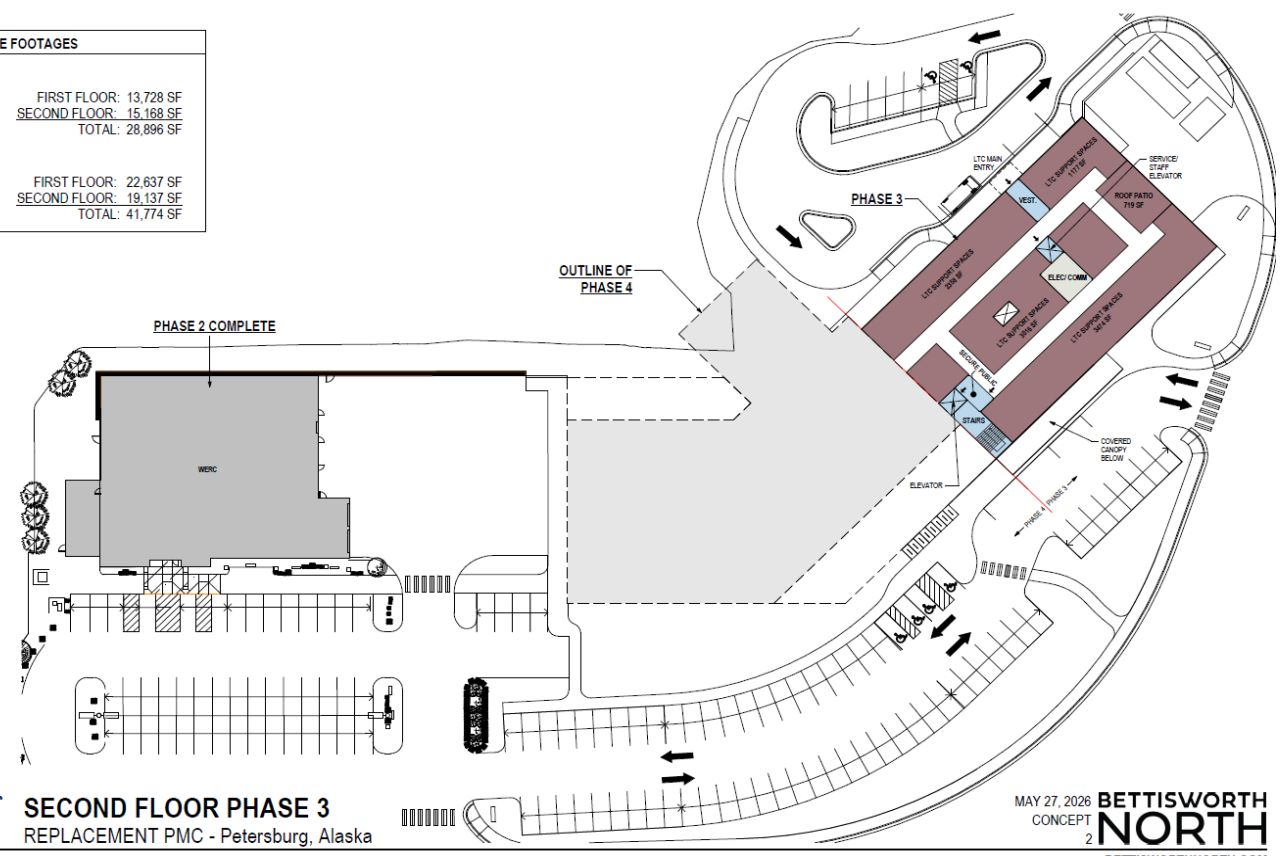
GROSS SQUARE FOOTAGES	
PHASE 3:	
FIRST FLOOR:	13,728 SF
SECOND FLOOR:	15,168 SF
TOTAL:	28,896 SF
PHASE 4:	
FIRST FLOOR:	22,637 SF
SECOND FLOOR:	19,137 SF
TOTAL:	41,774 SF



FIRST FLOOR PHASE 3
REPLACEMENT PMC - Petersburg, Alaska

MAY 27, 2026 **BETTISWORTH NORTH**
CONCEPT 1
BETTISWORTHNORTH.COM

GROSS SQUARE FOOTAGES	
PHASE 3:	
FIRST FLOOR:	13,728 SF
SECOND FLOOR:	15,168 SF
TOTAL:	28,896 SF
PHASE 4:	
FIRST FLOOR:	22,637 SF
SECOND FLOOR:	19,137 SF
TOTAL:	41,774 SF



SECOND FLOOR PHASE 3
REPLACEMENT PMC - Petersburg, Alaska

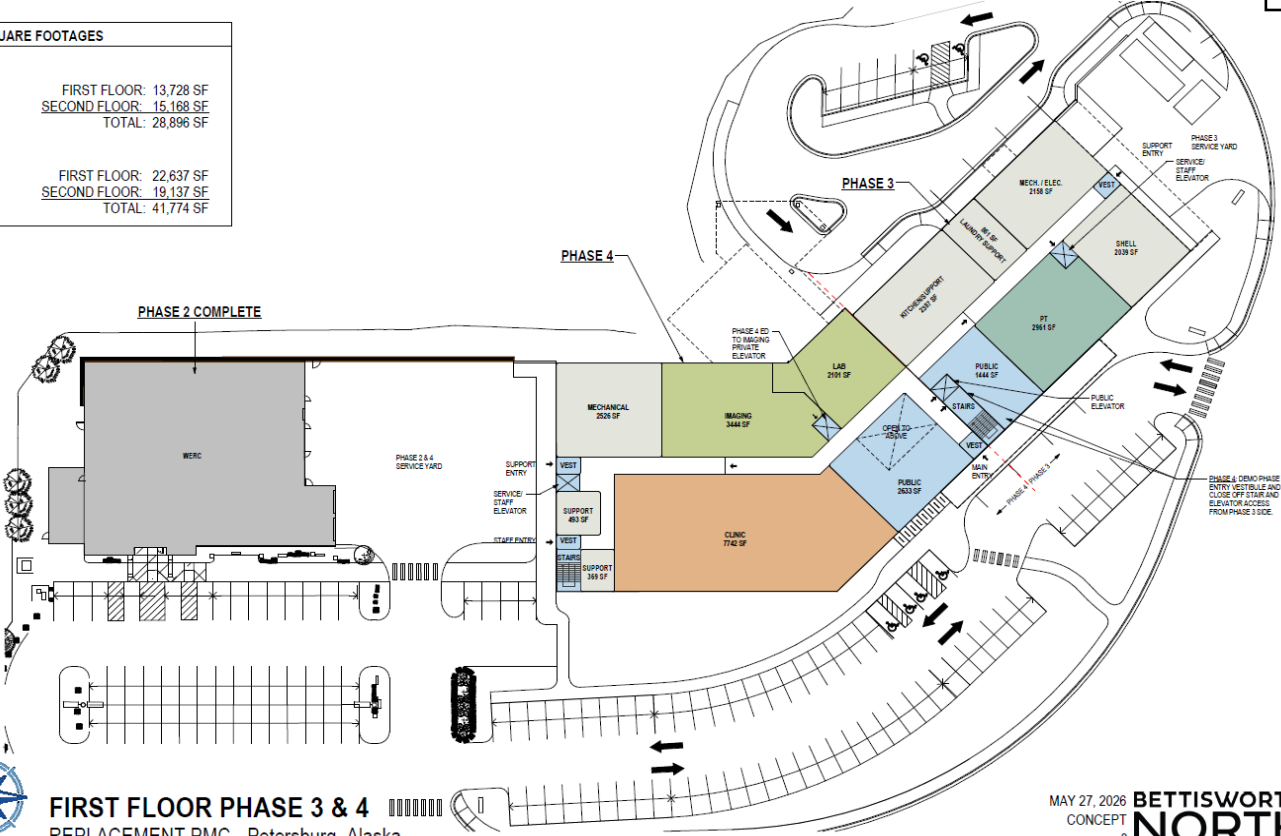
MAY 27, 2026 **BETTISWORTH NORTH**
CONCEPT 2
BETTISWORTHNORTH.COM

GROSS SQUARE FOOTAGES	
PHASE 3:	
FIRST FLOOR:	13,728 SF
SECOND FLOOR:	15,188 SF
TOTAL:	28,896 SF
PHASE 4:	
FIRST FLOOR:	22,637 SF
SECOND FLOOR:	19,137 SF
TOTAL:	41,774 SF



FIRST FLOOR PHASE 3 & 4
REPLACEMENT PMC - Petersburg, Alaska

MAY 27, 2026 **BETTISWORTH**
CONCEPT **NORTH**
3
BETTISWORTHNORTH.COM

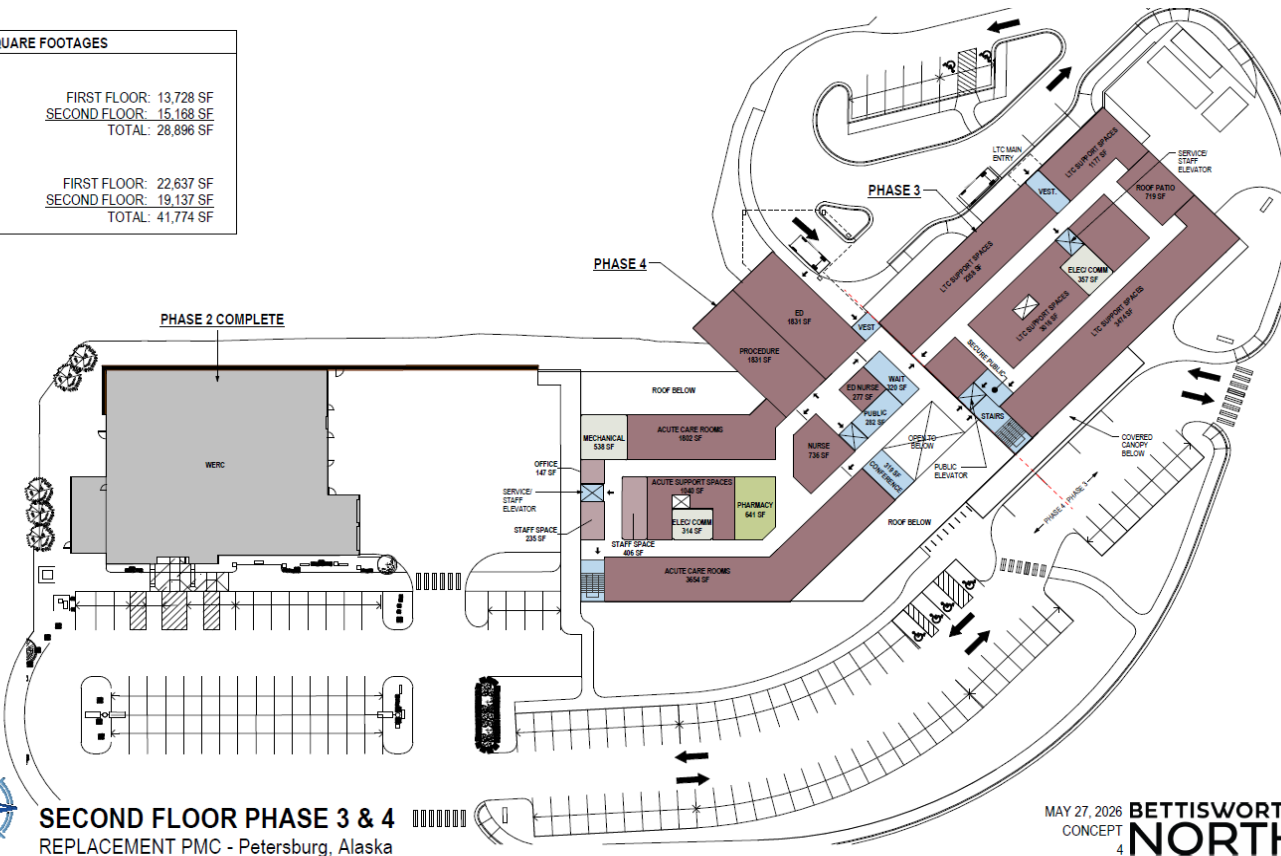


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TOTAL:	41,774 SF



SECOND FLOOR PHASE 3 & 4
REPLACEMENT PMC - Petersburg, Alaska

MAY 27, 2026 **BETTISWORTH**
CONCEPT **NORTH**
4
BETTISWORTHNORTH.COM





Quality Report June 2026

Workforce Wellness

Response analysis was completed for the workplace satisfaction survey and translated into an action item list containing 22 interventions guided by staff proposals for improvement. This list will be regularly reviewed and items selected for implementation as resources are available. Currently, one action item is completed and three more are in motion. Responses also confirmed satisfaction and provide justification for continued efforts with previously implemented programs and interventions such as the employee wellness program and the recognition program.

Community Engagement

Feedback has been requested from Cedar Social Club participants and caregivers to measure satisfaction with experience and provide the opportunity for staff to continuously improve the services that are provided. The expansion of hours and activities offered will be considered in the coming months with community input.

Patient Centered Care

A Critical Access Hospital Quality Assurance and Performance Improvement Plan was submitted for review. This plan provides guidance on evaluating and maintaining an ongoing, data-driven program that incorporates all services and departments within the hospital. It includes policies and procedures that are used to:

- Analyze data to assess our performance
- Identify goals and benchmarks for the measurement of our performance
- Incorporate feedback from patients, family, and staff
- Identify problems and opportunities for improvement
- Systematically analyze underlying causes of systemic problems and adverse events
- Develop corrective actions or performance improvement activities to address problems
- Monitoring the effectiveness of corrective action/performance improvement activities and revise interventions as needed.

Governance and leadership roles, systemic analysis and systemic action, and performance and quality indicators are defined within the plan. This policy will be presented to the CAH Quality Committee in July for feedback.

Facility

Quality goals for the new year include developing a public dashboard that provides values for quality and safety focused key performance indicators. These metrics will be aligned with relevant industry standards, PMC projects, and all pillars of the strategic plan.

Financial Wellness

Budget refinements are in progress for the home and community services expansion proposal with the Rural Health Transformation Program. This proposal was advanced in the program on the implementation pathway requiring a full application and budget details before final determination will be made. This project has several

aims around expanding and increasing support to new and existing services. If approved this proposal will provide > 250K in funding to these programs.

Submitted by: Stephanie Romine, RN



Infection Prevention Board Report June 2026

Workforce Wellness

I work as the sole Infection Preventionist for PMC.

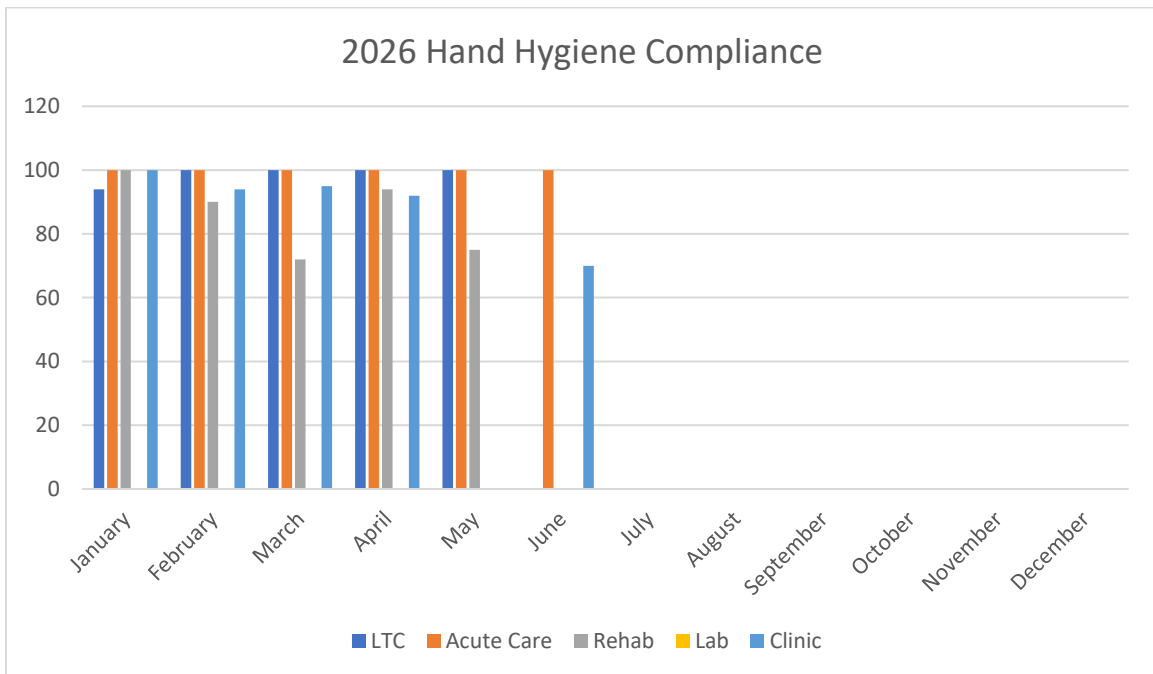
Community Engagement

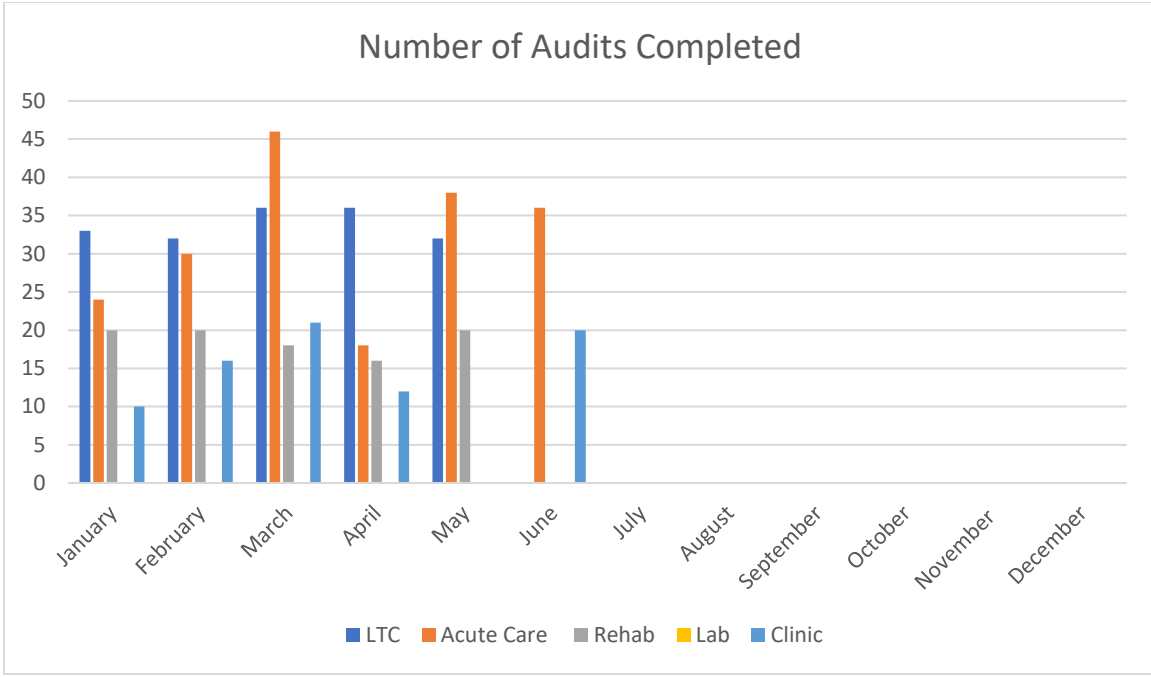
I work with many different departments at PMC to ensure compliance with regulations, including nursing, EVS, home health, physical therapy, clinic and lab. This month our Environment of Care team will be working together to inspect our Laboratory and Radiology departments.

I am working with the Nursing and Facilities departments to improve our Decontamination and Sterile Processing rooms.

Patient Centered Care

2026 PMC Hand Hygiene Report





LTC 2026 Infection Prevention Metrics

- Urinary Tract Infections (UTI): 0
- Catheter associated Urinary Tract Infections (CAUTI): 0
- Clostridium Difficile Infections: 0
- Covid-19 Infections: 0
- Influenza Infections: 0
- RSV Infections: 0

Facility

I work closely with the maintenance department to identify and correct any damage, structural or cosmetic, that I find in our facility. Our aging facility continues to cause many obstacles in meeting current IPC standards. This remains a challenge.

Financial Wellness

No changes to this area.

Submitted by: Rachel Kandoll, RN, BSN, Infection Prevention



Open House

Wellness, Education & Resource Center (WERC)

Tuesday, July 14th | 3:00-6:00pm

104 Wellness Drive (off Haugen)



**Petersburg
MEDICAL CENTER**



Tour the WERC building, connect with departments and learn about next phases of the new facility project.



PMC Executive Summary June 2026

Mission Statement: Excellence in healthcare services and the promotion of wellness in our community.

Guiding Values: Dignity, Integrity, Professionalism, Teamwork, and Quality

Summary: PMC continues to make substantial progress across multiple strategic initiatives that will improve access, quality, safety, and patient experience throughout our organization.

The MRI project has reached a major milestone. Staff training and equipment validation are well underway, and multiple volunteer MRI subjects have successfully completed testing scans. Image quality has been excellent, studies are being successfully transmitted and interpreted by our radiology partners, and all indications suggest the system is performing as expected. By the time of the Board meeting, we anticipate having completed our first patient MRI examinations, marking a historic advancement in local healthcare services and significantly reducing the need for Petersburg residents to travel for advanced diagnostic imaging. Now that the MRI is online we are scheduling the Community Open House for July 14 3-6 pm!!

Medication safety initiatives continue to advance with implementation of the new Pyxis automated medication dispensing system. Installation is underway in both the Emergency Department and Pharmacy. This project represents a significant investment in patient safety and medication management by improving medication security, inventory control, regulatory compliance, and reducing the risk of medication errors through enhanced tracking and automation.

The Laboratory Department is also preparing for installation of a new chemistry analyzer. This equipment will replace aging technology and significantly expand our local testing capabilities. Once operational, the analyzer will allow PMC to perform additional diagnostic testing in-house, reducing reliance on send-out laboratories, improving turnaround times, and enhancing access to care for our patients.

Primary Care continues to evolve as we prepare for the launch of our Direct Primary Care (DPC) program. We anticipate this service will be operational by the time of the Board meeting. The DPC model will provide community members with an additional option for accessing primary care services while supporting continuity of care, improved access, and innovative approaches to healthcare delivery in our rural setting. We are excited to bring this new service option to Petersburg.

Our Rehabilitation Department is nearing completion of the second therapy gym expansion project. This additional treatment space will improve patient privacy, increase scheduling

flexibility, reduce crowding, and support continued growth in rehabilitation services as demand continues to increase.

Beyond clinical services, we are pleased to report continued improvements to our campus and facilities. Senator Lisa Murkowski's recent visit to PMC provided an excellent opportunity to showcase the progress being made through the WERC building, MRI implementation, workforce development efforts, and future replacement hospital planning. We are grateful for her continued support of rural healthcare in Alaska.

Additionally, landscaping improvements around the campus have now been completed, significantly enhancing the appearance and functionality of the facility grounds. With the Facilities Department now fully staffed, the team has been able to focus not only on maintaining day-to-day operations but also on advancing long-term projects that improve the patient, visitor, and employee experience.

PMC's youth programs continue to thrive as we launch our summer programming season. Enrollment remains exceptionally strong, with over 120 individual participants filling 235 enrollment slots across programs. This includes 14 children in Forest Kindy, 35 participants in Kinder Skog, and 29 youth enrolled in ORCA Clubs – RunPOD. Summer camps are nearly fully enrolled, and staff have spent the past several weeks completing training and preparations. The programs continue to represent an important investment in youth development, outdoor education, workforce recruitment and retention, and the overall health and wellness of our community.



Overall, it is exciting to see so many strategic initiatives moving from planning into implementation. From MRI services and medication safety improvements to expanded laboratory capabilities, Direct Primary Care, rehabilitation growth, youth programming, and campus improvements, PMC continues to build momentum toward our mission of

providing excellent healthcare services and promoting wellness throughout our community.

Workforce Wellness: *Goal: To create a supportive work environment and promote the physical and mental well-being of hospital staff to improve retention and overall productivity.*

- **June 5:** All day CPR class for Youth Programs
- **June 8-12:** Youth Program Training
- **June 8-22:** Pacific Crest Trail Team Step Challenge



- **June:** CEO office hours open to employees
- **Ongoing:** Employee Meals
- **Ongoing:** Employee Recognition and Rewards

Community Engagement: *Goal: To strengthen the hospital’s relationship with the local community and promote health and wellness within the community.*

- **June 1:** Submitted written report for Borough Noon Assembly Meeting.
- **June 25:** PMC Live on KFSK at 12:30
- **June 25:** Hospital Board Meeting open to the public
- **Ongoing:** Kinder Skog Program -Newly added is the opportunity for any community member to sponsor a Skoggy and open the door to camp for a child. If you have any questions or would like more information, please call Katie at 907-531-5913 or email kholmlund@pmc-health.org
- **Ongoing:** Bingocize and Tai Chi Programs- Tai Chi has a Wednesday at noon class for beginners at the WERC building.
- **Ongoing:** CNA training course has started and is ongoing.
- **Ongoing:** PMC is currently in the process of developing a new website designed to enhance usability and improve access to information for our patients and the community we serve.
- **Adult Day-** Cedar Social Club offered to eligible persons 60 and older, please call 772-5716 to learn more about this program.

A flyer for a 'Senior Resource & Planning Hour' event. The title is in large, bold, dark blue font. Below it, the frequency 'Every Wednesday' and time '12:00-1:00pm' are listed. Contact information for Brandy is provided. A blue box on the right contains a description of the event: 'Weekly open conversation for older adults, caregivers, and families about local resources, support services, Medicaid and planning for future care needs.' The flyer has a light blue background with decorative blue lines in the corners.

Senior Resource & Planning Hour

Every Wednesday
12:00-1:00pm

Call or email Brandy to join
907-531-5857 | bboggs@pmc-health.org

Weekly open conversation for older adults, caregivers, and families about local resources, support services, Medicaid and planning for future care needs.

Patient Centered Care: *Goal: To provide high-quality, patient-centered care, and promote wellness for patients.*

- **June 17:** Quality Meetings (LTC & Infection Prevention and Control)
- **Joy Janssen Clinic** Access to Primary Care: We are currently staffed with 3 Physicians and 3 mid-level practitioners. Locums staffed as needed.
 - We are actively looking for a provider to fill the 4th position available.
 - As of June 8th, 2026, average patient access across all present providers reflects a 16-day wait for the next available appointment and 17 days for the third next available, however this is due to two of our regular providers being out on scheduled vacation. We have locums staffed to fill in while they are out, and without the vacation days, the average next available is 10 days, and the average third available is 11 days.
 - Locum coverage through August to cover provider PTO.
 - Same day acute care appointments remain consistently available.
 - Clinic is open and available M-F 8AM-5PM, and Saturday 8AM-12, 1PM-4:30PM. Same day appointments for urgent or acute care are readily available.



- **Audiology:** Phil Hofstetter continues to see patients in the Specialty Clinic. Call 772-5792 to schedule.
- **Psychiatry:** Dr. Sonkiss continues to provide ongoing services via telehealth and has a planned site visit for August.
- **Integrative Medicine:** Integrated Medicine with Dr. Hyer is offered via telehealth, email Dr. Hyer directly at jhyer@pmc-health.org to schedule.
- **Optometry Clinic:** Dr. Kamey Kapp, Optometrist with Last Frontier Eye Care, regularly visiting Petersburg in the Specialty Clinic. She was here this month seeing patients. Please call 907-434-1554 to schedule appointments.
- **Scopes Clinic:** Dr. Taggart and CRNA Jenilyn Lo will have their next clinic June 24th and 25th.
- **Dermatology:** Cameron French routinely visits Petersburg for dermatology, please call the clinic to schedule.
- **Orthopedic Clinic:** Discussions are ongoing to explore options for bringing ortho clinic specialty to Petersburg.
- **Cardiology-** Exploring options for cardiac testing locally, have started discussions regarding workflows.



New Facility: Goal: To expand the capacity and capabilities of the community borough-owned rural hospital through the construction of a new facility, while considering the needs and priorities of the local community.

- The WERC building Open House is scheduled for July 14th, 2026, from 3pm-6pm. At this time the building will be open for the public to tour the space!
- MRI tech acquired and training early June, with first patient scheduled for mid-June.
- Please see attached report submitted by J. Wetzel with Arcadis

- Seeking Art Proposals: PMC is seeking inviting, contemporary art representative of the people of Petersburg, the area's nature-based environment, and Petersburg's unique history to decorate the walls of the WERC building. Proposals are due June 30th, 2026. Eligibility: Alaskan Artists. Maximum 3 proposals.

Financial Wellness: *Goal: To achieve financial stability and sustainability for the hospital.*
FY25 Benchmarks for Key Performance Indicators (KPIs): Gross A/R days to be less than 55, DNFB < then 5 days, and 90 Days Cash on Hand

- Accounts Receivables (AR) Update: 60
- See attached Grants Report.
- See attached Financial Report, this month we will review operational and capital budgets.



Submitted by: Phil Hofstetter, CEO



PO Box 589
103 Fram Street
Petersburg, AK 99833
907-772-4291
www.pmcak.org

June 15, 2026

Senator Lisa Murkowski
522 Hart Senate Office Building
Washington, DC 20510

Dear Senator Murkowski,

On behalf of Petersburg Medical Center (PMC) and the Petersburg community, I would like to thank you for taking the time to visit our new Workforce, Education, and Resource Center (WERC) and the site of our future medical campus. Your continued support of rural healthcare and your willingness to see firsthand both our accomplishments and our challenges are greatly appreciated. I would also like to follow up with you regarding two regulatory issues currently facing PMC – telehealth access for providers temporarily residing outside the U.S. and long-term care bed flexibility.

We were honored to share the progress made through the WERC, including the new MRI service line, expanded training and education space, public health services, and community wellness programs. Without your initial funding we would not have a new home for these services. I would also like to thank you for your continued support of federal appropriations that have helped advance our facility replacement efforts.

During your visit, I mentioned two regulatory issues that continue to create challenges for rural healthcare delivery. Current telehealth federal regulations create a barrier to utilizing our Alaska-licensed and credentialed PMC providers who may be temporarily residing outside the United States. While these providers remain licensed in Alaska, current restrictions limit our ability to leverage this workforce flexibility. We would appreciate any opportunity to explore whether these regulations could be modernized while maintaining appropriate quality and oversight standards.

The second issue involves long-term care bed flexibility. Rural communities often struggle to align licensed bed categories with the actual care needs of patients. Regulatory changes that allow much greater flexibility between Medicare's skilled nursing, 'swing bed' programs, to Alaska's State Medicaid Assisted Living and Long term Care program are much needed. Such flexibility would help rural facilities greatly utilize limited bed capacity in inpatient and long term care and ensuring patients receive care in the most appropriate setting.

Thank you again for your visit, your leadership, and your continued commitment to Alaska's rural communities. We greatly value our partnership and look forward to working with you on these and other healthcare issues important to Petersburg and rural Alaska.

Sincerely,



Petersburg
MEDICAL CENTER

Philip Hofstetter, Au.D

CEO

Phone: 907-772-5724

Email: Phofstetter@pmc-health.org

P.O. Box 589, Petersburg, AK 99833

www.pmcak.org





FISCAL YEAR 2026 GRANTS UPDATE

In FY26, grants funded 3.5 FTE in staff time across 13 PMC positions.

3 Pending Congressional Funding Requests: \$8.2 million

- ◆ **Senate Appropriations PMC Long Term Care Center Construction Request**
Sen. Murkowski submitted a request for PMC's new LTC to LHHS Subcommittee.
1 Award | **\$2,700,000** total requested – *Decision anticipated 2026-2027*
- ◆ **Senate Appropriations Borough Transportation Project Request**
PMC provided a proposal item to widen & pave Excel Rd./pave & light Wellness Dr.
1 Award | **\$3,500,000** total requested – *Decision anticipated 2026-2027*
- ◆ **House Appropriations PMC New Health Campus Construction Design Request**
Rep. Begich submitted a request for funding to House Appropriations Committee.
1 Award | **\$2,000,000** total requested – *Decision anticipated 2026-2027*

7 Pending State Funding Requests:

- ◆ **State Health Department Senior In-Home Services Grant**
Proposed project to deliver case management services in Petersburg & Wrangell.
3 Years | **\$191,979** over three years – *Decision expected June 2026*
- ◆ **State Health Department Tobacco Prevention & Control Health Systems Grant**
Project to provide tobacco use/chronic disease Health Systems Change activities.
3 Years | **\$495,000** over three years – *Decision expected June 2026*
- ◆ **State of Alaska RHTP Funding Independent CAH Shared Medical Office**
Cost sharing & staff recruitment project with other two independent Alaska CAHs.
1 Award | < **\$1m** – budget in development – *Decision expected July 2026*
- ◆ **State of Alaska RHTP Funding Petersburg Telehealth Integration Project**
Funds requested to develop infrastructure to support telehealth across services.
1 Award | < **\$1m** – budget in development – *Decision expected July 2026*
- ◆ **State of Alaska RHTP Funding Home & Community Based Services Expansion**
Launch multiyear expansion of service lines, equipment, staffing & regional reach.
1 Award | < **\$1m** – budget in development – *Decision expected July 2026*
- ◆ **State of Alaska RHTP Funding Maternal & Early Childhood Health Planning**
Funds requested to develop lactation consulting program & assess opportunities.
1 Award | < **\$250k** – budget in development – *Decision July 2026*

- ◆ **State of Alaska RHTP Funding Integrated Behavioral Health Program**
Establish & staff a PMC Behavioral Health Department with internship capacity.
1 Award | < \$1m – budget in development – *Decision expected July 2026*

2 New Facility Grants Operating in FY26 \$28,000,000

- ◆ **HRSA Congressionally Directed Spending: Community Project**
No-Cost Extension of grant for new health campus sitework and construction.
Year 4 of 4 | \$8,000,000 (total single award); Project housed in: Finance
- ◆ **US Department of Treasury Coronavirus Capital Projects Fund Grant**
Wellness, Education & Resource Center building construction including MRI Suite.
Year 5 of 6 | \$20,000,000 (total single award); Project housed in: Finance

11 Program & Personnel* Grants Operating in FY26 \$883,894

* FY26 Grant contributions to PMC’s Admin & Finance costs: \$56,873

- ◆ **3 Completed Grants: AK Children’s Trust, AK Community Foundation, & PCF**
- ◆ **Alaska Community Foundation Camps Initiative**
Youth Programs project supporting the Summer 2026 ORCA Kayaking Camp.
1 Award | \$20,000 (total single award)
- ◆ **Alaska Mental Health Trust Authority Partnership Grant**
Expands PMC’s hybrid telehealth/onsite behavioral health services for LTC & HH.
1 Award | \$81,960 (total single award)
- ◆ **ACL Communities Deliver & Sustain Evidence-Based Falls Prevention**
Evidence-based falls prevention programs delivered in community settings.
Year 3 of 4 | \$147,076 in FY26
- ◆ **HRSA Rural Health Network Development Planning Program**
Planning with independent AK CAHs to improve rural health access & efficiency.
1 Award | \$100,000 (total single award)
- ◆ **Rasmuson Foundation Tier I Grant**
Youth Programs award for Kinder Skog & ORCA camp gear, equipment & storage.
1 Award | \$25,000 (total single award)
- ◆ **State Health Department Adult Day Services Grant**
Supports Cedar Social Club staffing & \$50K+ per year in participant scholarships.
Year 2 of 3 | \$191,030 in FY26 – **Additional award of \$41,175 in Jan 2026**
- ◆ **State Health Department Community Tobacco Prevention & Control Grant**
Funds evidence-based Million Hearts® Change Package for Tobacco Cessation.
Year 3 of 3 | \$145,000 in FY26
- ◆ **State Health Department Opioid Settlement Funds Grant**
Sustain telepsychiatry access pilot program established by 2023 HRSA grant.
Year 2 of 3 | \$142,828 in FY26

PETERSBURG MEDICAL CENTER

FINANCIAL REPORTING PACKAGE

For the month ended May 31, 2026

PETERSBURG MEDICAL CENTER
Key Volume Indicators
FISCAL YEAR 2026

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Prior YTD	% Change
1. Clinic Visits	793	878	983	1,003	754	733	790	774	802	965	811	-	9,286	8,986	3.3%
<i>Primary Clinic</i>	768	865	851	984	736	720	771	750	789	834	793		8,861	8,986	-1.4%
<i>Specialty Clinics</i>	25	13	132	19	18	13	19	24	13	131	18		425	-	n/a
2. Radiology Procedures	253	251	242	256	208	223	223	203	206	232	238		2,535	2,498	1.5%
3. Lab Tests (excluding QC)	1,937	2,575	2,258	2,288	2,266	2,217	2,178	1,909	1,996	1,926	1,898		23,448	20,368	15.1%
4. Rehab Services Units	883	1,086	730	1,178	1,548	973	1,025	970	1,154	1,398	1,577		12,522	11,754	6.5%
<i>Physical</i>	651	764	582	860	604	618	621	531	631	1,164	1,241		8,267		
<i>Occupational</i>	154	237	56	206	860	271	309	367	463	152	274		3,349		
<i>Speech</i>	78	85	92	-	84	84	95	72	60	82	62		794		
5. Home Health Visits	284	296	221	287	166	202	176	169	261	179	257		2,498	2,065	21.0%
<i>Nursing Visits</i>	149	151	141	179	120	138	113	91	137	111	153		1,483		
<i>PT/OT Visits</i>	135	145	80	108	46	64	63	78	124	68	104		1,015		
6. Emergency Room Visits	102	105	65	56	64	61	68	67	68	77	100		833	813	2%
7. Observation Days	3	8	4	2	2	4	3	3	6	5	4		43	57	-25%
<i>Hospital Inpatient</i>															
8. Patient Days - Acute	12	20	36	21	36	25	17	41	32	17	24		281	344	-18.3%
9. Patient Days - Swing Bed (SNF)	54	69	41	67	67	89	53	80	74	59	45		698	794	-12.1%
10. Patient Days - Swing Bed (ICF)	8			26	30	34	38	28	31	30	31		256	314	-18.5%
11. Patient Days - Total	74	89	77	114	133	148	108	149	137	106	100		1,235	1,452	-14.9%
12. Average Daily Census - Acute	0.4	0.6	1.2	0.7	1.2	0.8	0.5	1.5	1.0	0.6	0.8		0.8	1.0	-17.6%
13. Average Daily Census - Swing Bed (SNF)	1.7	2.2	1.3	2.2	2.2	2.9	1.7	2.6	2.4	1.9	1.0		2.0	2.4	-13.6%
14. Average Daily Census - Swing Bed (ICF)	0.3			0.8	1.0	1.1	1.2	1.0	1.0	1.0	1.0		0.8	0.9	-18.3%
15. Average Daily Census - Total	2.4	2.9	2.5	3.7	4.4	4.8	3.5	5.0	4.4	3.5	3.2		3.7	4.3	-15.6%
16. Percentage of Occupancy	19.9%	23.9%	21.0%	30.6%	36.3%	39.8%	29.0%	42.0%	36.8%	28.9%	26.9%		30.5%	36.1%	-15.6%
<i>Long Term Care</i>															
17. LTC Days	426.0	403.0	420.0	434.0	406.0	361.0	396.0	297.0	279.0	281	307		4,010	4,536	-11.6%
18. Average Daily Census	13.7	13.0	14.0	14.0	13.5	11.6	12.8	10.6	9.0	9.4	9.9		12.0	13.5	-11.7%
19. Percentage of Occupancy	91.6%	86.7%	93.3%	93.3%	90.2%	77.6%	85.2%	70.7%	60.0%	62.4%	66.0%		79.7%	90.3%	

PETERSBURG MEDICAL CENTER
Balance Sheet
For the month ended May 31, 2026

ASSETS	May 2026	Apr 2025	June 2025	May 2025	LIABILITIES & FUND BALANCE	May 2026	Apr 2025	June 2025	May 2025
Current Assets:					Current Liabilities:				
1. Cash	3,289,265	3,274,931	1,544,710	2,264,699	23. Accounts Payable - Trade	\$827,278	\$1,116,812	\$1,299,834	\$1,463,627
2. Cash - insurance advances	0	0	0	0	24. Accounts Payable - New Facility	202,188	183,587	831,368	2,263,450
3. Investments	2,172,696	2,166,249	2,097,227	1,093,183	25. Accrued Payroll	295,809	184,432	319,625	245,347
4. Total cash	<u>5,461,961</u>	<u>5,441,180</u>	<u>3,641,937</u>	<u>3,357,881</u>	26. Payroll taxes and other payables	136,922	129,248	143,596	238,545
5. Patient receivables	5,169,791	4,862,598	7,548,114	7,445,932	27. Accrued PTO and extended sick	1,196,919	1,112,479	1,196,902	1,215,261
6. Allowance for contractals & bad debt	(1,918,453)	(1,812,347)	(2,615,075)	(2,709,819)	28. Deferred revenue	157,631	164,960	131,961	144,710
7. Net patient receivables	<u>3,251,338</u>	<u>3,050,251</u>	<u>4,933,039</u>	<u>4,736,113</u>	29. Due to Medicare	17,786	17,786	1,466,833	1,466,833
8. Other receivables	1,189,061	1,162,126	2,701,066	5,401,809	30. Due to Medicare - Advance	0	0	0	0
9. Inventories	379,513	375,557	364,788	362,109	31. Due to Blue Cross - Advance	0	0	0	0
10. Prepaid Expenses	208,750	264,818	169,095	173,110	32. Other current liabilities	4,418	4,561	3,323	3,203
11. Total current assets	<u>10,490,623</u>	<u>10,293,934</u>	<u>11,809,926</u>	<u>14,031,022</u>	33. Current portion of long-term debt	400,596	407,370	459,791	459,407
Property and Equipment:					34. Total current liabilities	<u>3,239,548</u>	<u>3,321,237</u>	<u>5,853,233</u>	<u>7,500,382</u>
12. Assets in service	28,801,577	28,769,701	28,677,563	28,670,924	Long-Term Debt:				
13. Assets in progress	27,525,906	27,453,116	22,776,724	21,853,258	35. Capital leases payable	1,464,013	1,496,441	1,826,846	1,864,610
14. Total property and equipment	56,327,483	56,222,818	51,454,287	50,524,182	Pension Liabilities:				
15. Less: accumulated depreciation	(25,712,233)	(25,357,559)	(23,379,960)	(23,294,258)	36. Net Pension Liability	17,065,093	17,065,093	15,526,950	15,526,950
16. Net property and equipment	<u>30,615,249</u>	<u>30,865,259</u>	<u>28,074,326</u>	<u>27,229,924</u>	37. OPEB Liability	-	-	-	-
Assets Limited as to Use by Board					38. Total pension liabilities	<u>17,065,093</u>	<u>17,065,093</u>	<u>15,526,950</u>	<u>15,526,950</u>
17. Investments	4,269,633	4,168,257	3,668,961	3,556,087	39. Total liabilities	<u>21,768,654</u>	<u>21,882,771</u>	<u>23,207,029</u>	<u>24,891,942</u>
18. Building fund	933,048	911,817	799,968	776,329	Deferred Inflows:				
19. Total Assets Limited as to Use	<u>5,202,681</u>	<u>5,080,075</u>	<u>4,468,928</u>	<u>4,332,416</u>	40. Pension	291,347	291,347	413,688	413,688
Pension Assets:					Net Position:				
20. OPEB Asset	7,315,602	7,315,602	7,338,848	7,338,848	41. Unrestricted	28,999,178	28,999,178	13,726,830	13,726,830
Deferred Outflows:					42. Current year net income (loss)	4,783,729	4,600,324	16,773,270	16,328,540
21. Pension	2,218,751	2,218,751	2,428,790	2,428,790	43. Total net position	<u>33,782,906</u>	<u>33,599,502</u>	<u>30,500,100</u>	<u>30,055,369</u>
22. Total assets	<u>\$55,842,907</u>	<u>\$55,773,620</u>	<u>\$54,120,818</u>	<u>\$55,361,000</u>	44. Total liabilities and fund balance	<u>\$55,842,907</u>	<u>\$55,773,620</u>	<u>\$54,120,817</u>	<u>\$55,360,999</u>

**Note: Cash on line 1 is for presentation purposes only. The total cash in bank is the sum of Lines 1 and 2.

PETERSBURG MEDICAL CENTER
Key Operational Indicators
For the month ended May 31, 2026

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Prior Year	% Change
1. Contractual Adj. as a % of Gross Revenue	17.8%	35.4%	17.3%	17.6%	20.8%	24.7%	27.1%	13.3%	13.4%	17.5%	6.3%		19.3%	16.6%	16.4%
2. Charity/Other Ded. As a % of Gross Revenue	1.1%	0.0%	2.4%	0.4%	2.7%	0.3%	0.7%	0.4%	2.9%	0.9%	0.5%		1.1%	0.9%	23.0%
3. Bad Debt as a % of Gross Revenue	4.4%	1.5%	2.4%	-1.9%	-7.0%	3.4%	-3.1%	-0.4%	0.4%	-1.9%	3.0%		0.1%	1.2%	-91.6%
4. Operating Margin	4.2%	-7.6%	4.0%	8.7%	14.1%	-3.4%	-4.8%	11.3%	6.2%	14.7%	12.9%		6.0%	10.2%	-40.9%
5. Total Margin	37.6%	18.8%	29.1%	20.9%	22.0%	-6.0%	-2.2%	16.8%	-13.8%	12.9%	6.9%		15.5%	38.0%	-59.3%
6. Days Cash on Hand (Including Investments)	98.5	108.0	109.1	114.7	114.0	114.4	123.5	120.2	114.3	132.5	133.1		117	117	-0.4%
7. Days in A/R (Net)	64.4	72.2	67.4	57.2	53.0	50.5	48.8	50.9	45.1	38.9	42.7		54	59	-8.6%
8. Days in A/R (Gross)	82.3	83.4	76.6	67.4	65.2	63.7	60.0	61.6	58.7	52.4	58.1		66	83	-20.0%
9. Days in Accounts Payable	26	16	30	25	26	26	29	29	27	24	21		25	31	-17.9%



Date: June 17, 2024
From: Jason McCormick, CFO
To: Board of Directors, Petersburg Medical Center
Re: Submission of revised budget for fiscal year 2026

As fiscal year 2026 comes to a close we respectfully submit to the board a budget amendment for fiscal year 2026.

The total budget for expenses previously approved was approximately \$ 30,100,000

Estimated total expenditures are \$31,100,000 creating a difference of approximately \$1,000,000

The additional expenses are, in large part, due to the following:

- Contract Labor \$443,000, due to Nursing and Therapy staff.
- Employee Benefits \$436,000,
- Utilities \$464,000 due to WERC building Offset by \$598,000 of USAC.
- Repairs & Maintenance \$116,000, due to the age of the building.
- Other Operating expenses \$116,000,

Total Net Operating revenues are expected to be \$1,509,000 above budget.

- The organization anticipates a favorable settlement on the cost report due to the opening of the WERC building.
- Long-term care volumes were higher than budget
- The reduction in Gross Days in AR has recovered \$360,000 in Bad debts.
- 340B revenue has been higher than expected.
- Grant and other revenues will be higher than expected.

All financial figures are subject to audit. We respectfully submit for your consideration the following motion:

“Motion, Increase the 2026 spending appropriation by \$1,300,000 to cover the additional costs as explained to be paid for by the additional revenues as explained.”

Respectfully,

Jason McCormick, CFO

PMC OPERATING BUDGET PROPOSAL - FY27

	FY23	FY24	FY25	FY26RR (May)	FY27	Var.
A. Net Operating						
1. Total Operating Revenue						
Net Patient Revenue	(24,685,724)	(25,055,032)	(31,095,523)	(30,239,480)	(33,035,374)	9.2%
1. Total Operating Revenue Total	(24,685,724)	(25,055,032)	(31,095,523)	(30,239,480)	(33,035,374)	9.2%
2. Total Operating Expenses						
a. Personnel Expenses	15,856,709	14,971,343	20,934,700	21,392,497	23,649,131	10.5%
b. Purchased Services	1,844,995	1,462,019	1,914,338	1,008,476	1,093,573	8.4%
c. Supplies	1,680,427	1,612,365	1,904,534	1,932,150	2,098,272	8.6%
d. Utilities	1,106,241	1,060,449	1,045,419	1,765,743	1,853,934	5.0%
e. Repairs & Maintenance	588,640	567,146	622,262	715,456	763,951	6.8%
f. Other Operating Expenses	374,457	382,243	361,347	447,079	470,572	5.3%
g. Rentals & Leases	252,864	263,204	367,138	399,667	426,712	6.8%
h. Insurance	178,388	191,853	210,443	273,031	286,595	5.0%
i. Minor Equipment	173,343	274,333	402,997	352,422	369,467	4.8%
j. Training & Travel	78,831	117,421	128,046	130,288	144,114	10.6%
2. Total Operating Expenses Total	22,134,896	20,902,377	27,891,223	28,416,808	31,156,322	9.6%
A. Net Operating Total	(2,550,828)	(4,152,655)	(3,204,300)	(1,822,672)	(1,879,052)	3.1%
B. Non-Operating						
3. Non-Operating						
Depreciation and Amortization	664,941	663,043	598,101	2,544,298	2,241,348	-11.9%
Interest Expense	228,922	146,098	129,761	109,079	118,395	8.5%
Investment Income	(322,265)	(422,365)	(452,748)	(885,984)	(551,135)	-37.8%
Other Non-Operating Revenue	(1,095,761)	(8,455,006)	(13,428,871)	(5,198,984)	(683,470)	-86.9%
3. Non-Operating Total	(524,163)	(8,068,230)	(13,153,757)	(3,431,591)	1,125,138	-132.8%
B. Non-Operating Total	(524,163)	(8,068,230)	(13,153,757)	(3,431,591)	1,125,138	-132.8%
Grand Total	(3,074,991)	(12,220,885)	(16,358,057)	(5,254,263)	(753,914)	-85.7%

PMC CAPITAL BUDGET - FY2027

Dept	Description	Estimated Cost
Clinic	Vaccine Refrigerator	
Dietary	N/A	-
Wellness	Canon Camera System	5,530
Imaging	CT Machine	700,000
	Peripheral Vascular Doppler	18,127
IT	20 New APC 3000VA UPS	6,500
	APC Smart-UPS SRT 5000VA RM 208v	8,000
	Windows 11 Device Upgrade	25,000
	Cisco Switch Replacement (8)	90,000
Lab	Upgrade Glucometers	5,600
	Micro Fridge Replacement	9,000
	Electric Phlebotomy Chair	9,000
	Phlebotomy Carts (3)	8,000
EKG	New EKG Machine	12,500
LTC	Hospital Beds (15)	238,500
	Arjo Maxi Move Mechanical Lift	10,000
	Stryker Secure Connect - Bed (15)	16,000
	Stryker Over Bed Table (15)	10,000
	Stryker Bedside Table (15)	19,000
	Stryker Unity Recliner (2)	9,000
	Stryker Unity HB Flex Chair (10)	11,175
	Stryker Glider	1,711
	Stryker Transfer Chair (2)	4,500
Acute	Blanket Warmer	12,000
	6 Strker Transport Wheelchairs	21,000
	Wall mounted cardiac monitors	41,524
Anesthesia	New Anesthesia Machine	42,000
Ambulatory Surgery	New Colonoscope	
	Stretchers (3)	30,000
	Leak Test Unit	16,000
	Automatic Scope Flusher	3,000
	Automatic Scope Reprocessor	50,000
	Cardiac Monitor	5,000
	2nd Monitor with Stand for Scopes	13,000
Emergency Room	Arctic Sun Hypo/Hyperthermia machine	92,000
ER	Storage Cabinets for Trauma Bay	10,000
	Wall mounted cardiac monitors (2)	30,000
Outpatient Treatment	New Fetal Monitor	5,000
Therapies	N/A	-
Plant	Three Vehicles for Fleet	120,000
Miscellaneous	For misc projects thru the year	142,333
Total		1,850,000