

HEALTHTRUST, INC.
FINANCE & PERSONNEL COMMITTEE
Minutes of February 19, 2026

COMMITTEE MEMBERS PRESENT:

Limanni, Michael, Chief Financial Officer, SAU #11, <i>Chair</i>	Ruehr, Timothy, Chief Financial Officer, SAU #29 <i>(Virtual)</i>
Kivikoski, Alison, Senior Director of Human Resources, Rockingham County	Rossner, Daniel, Business Administrator, SAU #48 <i>ex officio</i>

OTHER BOARD MEMBERS PRESENT:

Basora, Danielle, Asst. Town Administrator/Human Resource Director/Treasurer, Town of Goffstown	Scholes, Amy, Teacher, SAU #21 <i>(Virtual)</i>
Hilchey, Susan, Director of Human Resources, SAU #25	Tucker, Tara, Town Administrator, Town of Greenland

COMMITTEE MEMBERS UNABLE TO ATTEND:

Brown, Troy, Town Manager, Littleton	
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STAFF PRESENT:

Bodwell, Erica, Benefits and Coverage Counsel <i>(Virtual)</i>	Thomas, Keri, Executive Assistant
DeRoche, Scott, Executive Director	Tsiopras, George, Deputy Director and Chief Financial Officer
Herrick, Jeanne, General Counsel	Turmel, Lynne, Director of Risk Pool Operations
Kalgren, Jason, Chief Information Officer	

Chair Limanni opened the Finance & Personnel committee meeting at 9:00 a.m.

Minutes of September 18, 2025 Finance & Personnel Committee Meeting

Chair Limanni asked if Committee members had reviewed the minutes and if there were any recommended revisions. None were suggested.

MOTION by Daniel Rossner, seconded by Alison Kivikoski, to accept the minutes of the September 18, 2025 HealthTrust, Inc. Finance & Personnel Committee meeting.

Motion passed, unanimously.

FY2027 Operating & Capital Budget Review

Scott DeRoche provided a few opening comments and indicated that staff was trying something new for this year's budget process. He said the budget would include a maintenance budget, which includes funding for current personnel levels and all current programs, as well as a new change budget for new initiatives and material changes from the current year's budget. He noted that in the maintenance budget for FY2027 there is a decrease, which is not something you would typically see. He credited that to the decrease in the IT budget which is a result of the work of Jason Kalgren and his team to build processes in house that led to a large decrease in licensing required within the Salesforce contract, saving the organization millions of dollars over the upcoming years. He also recognized the strain the public sector is under noting staff has worked hard to narrow the budget and bring forward only new items that were needed.

Timothy Ruehr joined the meeting at 9:05 a.m.

Chair Limanni deferred to Daniel Rossner to ask Mr. Ruehr that requirements for virtual attendance. Mr. Rossner noted that Timothy Ruehr would be participating remotely as it was not reasonably practical for him to attend in-person. When asked if was alone in his office, Mr. Ruehr responded yes. Mr. Rossner noted that all votes will be by roll call.

George Tsiopras provided an overview of the FY2027 budget at a high level. He said there was a decrease of \$214K or 1.8% to the maintenance budget, as Scott DeRoche had stated and also noted the cost of the new initiatives and changes proposed in FY2027 is an increase of \$737K made up of increased legal fees due to the regulator's enforcement action, consultant fees related to the medical and prescription drug request for proposals (RFP), the five-year pay and classification study, and the proposed new Chief Information Security Officer position and related changes. He said if all of the new initiatives are approved, the net effect to the maintenance budget and the items included in the change request is an increase of \$523K or 4.4% above the current FY2026 budget.

He then provided additional details on each of the components of the budget request including decreases to bank fees and Board of Directors expenses and increases to salary expenses, office supplies, and property insurance.

Daniel Rossner asked if the budget included the Stop Loss insurance. Scott DeRoche stated that Stop Loss is not part of the operating budget but is part of the rating process.

George Tsiopras advised the Board that there will be an increase of \$81k or 26.9% to property rental expenses due to being unable to lease the space that was previously occupied by FEMA. He stated staff was hopeful to rent the space for at least half the year but has not had any showings. He said that although the lease rates were very competitive, there is a great deal of available office space for rent, so the rates were recently reduced even further to try and entice potential tenants.

Chair Limanni asked if the rental decrease was due to lowering the rent. George Tsiopras advised it was not, it was due to the space being vacant which put pressure on HealthTrust and NHMA, as shareholders, to make up the difference. The Chair asked why it does not show as a loss of income. Daniel Rossner stated it is not a loss of income for HealthTrust however, it is a loss of income for the Center at Triangle Park (CTP).

Susan Hilchey asked if staff thought the lack of interest in the rental space had anything to do with the regulator and enforcement action.

Scott DeRoche stated he did not believe so. He said HealthTrust has had below-market property expenses through CTP for a number of years and this would be the first year that it may be considered above-market due to less tenant revenue. He said the realtor did not want to lower the rent for the available CTP space, but staff felt having some revenue coming in for the two vacancies was better than nothing as any income would help offset HealthTrust's property expenses as a shareholder of CTP.

George Tsiopras stated the projection for next year for HealthTrust would be approximately \$20 per square foot up from approximately \$14.00 per square foot.

Danielle Basora joined the meeting at 9:20 a.m.

Timothy Ruehr started a discussion regarding the size of the building and whether it was overbuilt for the needs of the organization at the time it was built. Daniel Rossner suggested that it was built many years ago by the predecessor organization and it was not likely that the organization could have predicted the changes that have occurred since then.

Chair Limanni noted also that the building was constructed before Covid-19 and since then the culture surrounding remote work has shifted. He added that many commercial buildings are being converted into residential due to this shift.

Chair Limanni added that it may be time to start looking into other options.

Scott DeRoche said when the building was constructed and occupied by LGC, all of the square footage was utilized for except for the lower front section. After the break-up of LGC, the space occupied by HealthTrust was further reduced allowing for more rental space. Then, once again, after COVID and hybrid work technology, HealthTrust further consolidated its occupied space to only be on the second floor front and middle of the building, allowing again for more rental space. He noted that a couple years ago, the Board was asked to consider moving to rented office space that was available at Delta Dental. The Board at that time determined that it was better to stay at Triangle Park due to the lower occupancy cost and the use of the conference rooms. He stated this is the first year that rent has been above market value due to the unrented space but he would be happy to look into other options if the Board has concerns.

Chair Limanni stated he was not concerned at this time but felt it was worth continuing the conversation.

George Tsiopras continued his presentation by reviewing the remaining budget items and provided an explanation for any increases or decreases from the previous year. He highlighted the investment services line item being increased by \$22k or 19.5% to reflect the increase in the value of the investment portfolio as investment managers charge based on the value of the portfolio. He also noted the increase to financial auditing of \$19k or 16.7% based on the additional costs the auditors are incurring related to the requests of our regulator, including their recent subpoena for information.

Scott DeRoche stated the challenge is the auditors feel the regulator makes unreasonable requests for information that unduly burden the auditors and are above and beyond the normal scope of their audit work and what they usually expect to receive from a regulatory body. Hence, performing audit work for HealthTrust carries with it added expenses related to significant staff time and effort to respond to regulator requests that they are looking for HealthTrust to pay. He noted there are ongoing discussions with the auditors but that it could result in going out to bid for a new auditing firm.

George Tsiopras reviewed the new initiatives adding \$737K to the FY2027 budget which includes a proposed \$152K in total pay, benefits, and taxes for a new Systems Engineer as well as the removal of the Infrastructure & Security Manager position and the addition of a Chief Information Security Office (CISO), based on the everchanging cyber security threats to the organization. Also reflected was \$250K for Legal Services to support the costs surrounding the ongoing BSR Enforcement Action as well as \$335K to fund efforts surrounding the medical and prescription drug RFP and the 5-year pay and classification study.

Scott DeRoche stated there will be a presentation of the CISO position today as well as a presentation on the recommendation to conduct the 5-year pay and classification study at the March 12th meeting.

Daniel Rossner asked if staff anticipated a new employee for the CISO position. Scott DeRoche stated it would not be an automatic transfer, as a high-level position, the job will be posted both internally and externally. He said there is a current employee interested in the position that would be a suitable candidate, but will go through the interview process if he applies.

There were questions from the Board related to the new CISO position and Scott DeRoche stated Jason Kalgren, CIO would be presenting in greater detail the need for the position and how the organization chart would be updated. He said HealthTrust currently has an employee in a dual role and the plan is for cybersecurity to be its own role.

Jason Kalgren provided an overview of the conversations that occurred at the 2025 retreat with respect to cybersecurity. He said cyber threats are growing and it is important to try and stay in front of them. He stated that there has been an increase of incidents impacting the public sector including Member Groups, which increases the vectors bad actors can take to attack HealthTrust. He stated HealthTrust is secure today but it is important to continue to grow and evolve the cybersecurity efforts to stay secure in the future. He reviewed the landscape of the current Infrastructure & Security team which includes three full time employees and provided an overview of each role. He said the current I&S Manager is currently covering dual roles of system engineering/infrastructure management and cybersecurity and is unable to focus on security full time. He then reviewed the key responsibilities and qualifications of the CISO and the difference between the Chief Information Officer (CIO) who drives operations through IT strategy, and system efficiency and the Chief Information Security Officer (CISO) who focuses on risk management, data protection, cybersecurity and incident response.

Tara Tucker joined the meeting at 9:50 a.m.

Amy Scholes virtually joined the meeting at 9:51 a.m.

Daniel Rossner noted that Amy Scholes would be participating remotely as it was not reasonably practical for her to attend in-person. When Mr. Rossner asked if Ms. Scholes was alone in her office, she responded yes.

Jason Kalgren continued his presentation stating the request is for one additional mid-level resource and a reclassification of an existing resource along with shifting some management responsibilities.

Daniel Rossner asked if this new position would be reporting to the CIO or another member of leadership. Scott DeRoche stated he sees it reporting to the CIO but could be something similar to the Compliance, Risk and Control officer who, even though they report to Leadership, they have a direct line to the Board and Executive Director for any concerns they may encounter. He referred to the organization chart to illustrate the proposed changes.

Jason Kalgren reviewed the potential cost for the requested changes as compared to the current cost and alternative options.

Chair Limanni felt it was a thoughtful approach to look at the department as a whole and appreciated the evaluation of the team to determine if and how it can be done internally.

Timothy Ruehr stated he understands cybersecurity is important and likes the external monitoring option and does not think new staff should be added.

Chair Limanni stated the committee needed to recess to go into the emergency Board meeting and the discussion could be revisited when the meeting reconvenes.

MOTION by Daniel Rossner, seconded by Alison Kivikoski to recess the Finance and Personnel meeting to go into the Emergency Board meeting.

Roll call vote

Daniel Rossner	Y	Michael Limanni	Y
Alison Kivikoski	Y	Timothy Ruehr	Y

MOTION passed, 4-0

Reconvened at 12:01 p.m. Timothy Ruebr left meeting prior to the reconvening.

MOTION by Daniel Rossner, seconded by Alison Kivikoski to recommend the budget as proposed to the full board at its next meeting.

MOTION passed, 3-0

Chair Limanni declared the meeting adjourned at 12:03 p.m.

Respectfully submitted,

Keri Thomas

Keri Thomas, HealthTrust Executive Assistant