



Board of Director's Meeting Minutes

March 13, 2026

MCIT Building, Room 220

St. Paul, Minnesota

Attendance:

Ron Antony, Trust Chair, Yellow Medicine County
Don Wachal, Vice Chair, Jackson County
Randy Schreifels, Secretary/Treasurer, Stearns County
Marcia Ward, Winona County
Jack Swanson, Roseau County
Kurt Mortenson, Otter Tail County
Todd Patzer, Lac qui Parle County
Brett Skyles, Itasca County
Lindsey Meyer, Wright County

Kevin Coleman, Facilities Manager
Dawn Hinkley, Staff Counsel for Risk Control
Richard Miehle, Risk Management Consultant
Heather Larson-Blakestad, Communications Manager
Pam Ihns, HR Assistant
Myaye Soe, WC Med Only Claims Representative
Doug Vanesek, PC Claims Representative
Sonya Guggemos, Staff Counsel for Risk Control
Jeff Hentges, PC Claims Manager

MCIT Staff:

Steve Nelson, Executive Director
Linda Podritz, Director of Internal Services
Ondara Nyang'au, Finance Manager
Zahir Siddiqui, Director of Claims
Gary Severson, Underwriting Manager
Andrew Essling, WC Claims Manager
Karen Clayton Ebert, Staff Counsel for Risk Control

Service Providers:

Peter Bergstrom, General Counsel
Tod Deming, AllOne Health EAP
Susan Herreid, AllOne Health EAP
Wendi Kotlinsky, AllOne Health EAP
Beth Jenson-Prouty, Arthur, Chapman P.A.
Lucy Gibbons, Arthur, Chapman P.A.
Bruce Starkey, Mahnomon County Administrator
Jordan Weir, Vogel Law (attended virtually)

CALL TO ORDER

000 Chair Antony called the MCIT Board of Directors' Meeting to order at 9:00 a.m. on March 13, 2026 in the Board Room at the MCIT Building in St. Paul, Minnesota.

APPROVE THE AGENDA

26-03-01 Motion by Ward, seconded by Mortenson to approve the agenda with changes (on file). Motion carried. Voting Yes: Antony, Wachal, Schreifels, Ward, Swanson, Mortenson, Patzer, Skyles and Meyer.

APPROVE THE MINUTES

26-03-02 Motion by Schreifels, seconded by Meyer to approve the minutes of February 13, 2026, MCIT Board of Directors meeting. Motion carried. Voting Yes: Antony, Wachal, Schreifels, Ward, Swanson, Mortenson, Patzer, Skyles and Meyer.

STAFF UPDATES

000 Myaye Soe was introduced to the board by Andrew Essling, Workers' Compensation Claims Manager. Soe joined MCIT as Workers' Compensation Med Only Claims Representative September 1, 2025.

FINANCIAL REPORT

000 The board reviewed the Executive Summary of the unaudited financial statement for the period ending January 31, 2026, as presented by Finance Manager Ondara Nyang'au. Nyang'au updated the board on unpaid 2026 membership renewal contributions and collection status.

26-03-03 Motion by Swanson, seconded by Wachal to accept the MCIT unaudited financial statement for the period ending January 31, 2026. Motion carried. Voting Yes: Antony, Wachal, Schreifels, Ward, Swanson, Mortenson, Patzer, Skyles and Meyer.

MEMBERSHIP ISSUES

000 Executive Director Steve Nelson informed the board that there is a scheduling conflict for the Clay County coverage appeal scheduled for the April 9, 2026 board meeting. Nelson explored alternative dates with the member and suggested the board reschedule the coverage appeal hearing to the May 8, 2026 board meeting.

26-03-04 Motion by Meyer, seconded by Skyles to re-schedule the Clay County coverage appeal to the May 8, 2026, board meeting. Motion carried. Voting Yes: Antony, Wachal, Schreifels, Ward, Swanson, Mortenson, Patzer, Skyles and Meyer.

2025 PERFORMANCE REPORT - ALL-ONE HEALTH / EMPLOYEE ASSISTANCE PROGRAM

000 AllOne Health Executive Director Tod Deming was joined by associates Wendi Kottlinski and Susan Herreid to present the annual AllOne Health (formerly Sand Creek) performance report for 2025. Deming noted that county utilization in 2025 was 5.75%.

Over all hours of service provided in 2025 totaled 4,272, reaching 4,665 employees and family members. AllOne Health also provided 56 organizational consults to supervisors and human resource professionals. Counseling was provided via the following methods: 43% face to face, 47% virtual and 10% phone.

Deming reported that primary reasons for contacting the EAP in 2025 were to address emotional issues, interpersonal issues, anxiety symptoms and stress.

2025 PERFORMANCE REPORT - WORKERS' COMPENSATION PROGRAM

000 MCIT WC Claims Manager Andrew Essling presented a report on the performance of the workers' compensation division during 2025 and reviewed staffing of the department. Essling informed the board:

- Medical only claims increased from 817 in 2024 to 841 in 2025
- New indemnity claims increased from 238 in 2024 to 266 in 2025
- Total recoveries from the Special Compensation Fund, Workers' Compensation Reinsurance Association, subrogation, and restitution totaled approximately \$3.5M in 2025.
- PTSD claim volume, legislative changes and how they are affecting PTSD claims were reviewed

Claims Manager Essling reviewed notable workers' compensation claims.

CLOSED SESSION

26-03-05 Motion by Ward, seconded by Meyer to close the meeting at 10:45 a.m. pursuant to Minn. Stat. §13D.05, Subd. 3(b) attorney client privilege related to ongoing litigation regarding MCIT v. McLeod County Historical Society. Motion carried. Voting Yes: Antony, Wachal, Schreifels, Ward, Swanson, Mortenson, Patzer, Skyles and Meyer.

26-03-06 Motion by Swanson, seconded by Patzer to return meeting to open session at 11:20 a.m. Motion carried. Voting Yes: Antony, Wachal, Schreifels, Ward, Swanson, Mortenson, Patzer, Skyles and Meyer.

MEMBER COVERAGE APPEAL

26-03-07 Motion by Wachal, seconded by Mortenson to close the regular meeting of the MCIT Board of Directors for purposes of conducting a public hearing. Motion carried. Voting Yes: Antony, Wachal, Schreifels, Ward, Swanson, Mortenson, Patzer, Skyles and Meyer.

26-03-08 Motion by Schreifels, seconded by Ward to open a public hearing to hear an appeal for coverage requested by Mahnommen County. Motion carried. Voting Yes: Antony, Wachal, Ward, Swanson, Patzer, Skyles and Meyer. Absent: Schreifels and Mortenson.

000 Pursuant to the MCIT Bylaws Section 7.10 Mahnommen County requested a hearing before the MCIT Board of Directors regarding a coverage determination made by MCIT concerning the limit of coverage available to the county in the matter of Thorson v. Mahnommen County. The hearing was held on March 13, 2026 at the MCIT Headquarters in St. Paul, Minnesota. Attorney Jordan Weir of the Vogel Law in Fargo, North Dakota, appeared virtually on behalf of Mahnommen County. Attorney Beth Jenson-Prouty of the Arthur, Chapman P.A. appeared for MCIT. Both attorneys made presentations and answered questions from the board.

26-03-09 Motion by Swanson, seconded by Skyles to close the public hearing to hear an appeal of coverage involving Mahnommen County. Motion carried. Voting Yes: Antony, Wachal, Ward, Swanson, Patzer, Skyles and Meyer. Absent: Schreifels and Mortenson.

26-03-10 Motion by Ward, seconded by Meyer to open the regular meeting of the MCIT Board of Directors. Motion carried. Voting Yes: Antony, Wachal, Ward, Swanson, Patzer, Skyles and Meyer. Absent: Schreifels and Mortenson.

26-03-11 Motion by Ward, seconded by Meyer that based upon all files, records and proceedings herein, together with the arguments of representatives for Mahnommen County and MCIT, the MCIT Board of Directors makes the following findings of fact:

FINDINGS OF FACT

- (1) A review of Amy and Karley's claims against Cahlin in the Liability Action show that they are alleging an identical due process violation. The Complaint alleges different liberty interests were harmed. But the conduct causing the harm is alleged to be the same: the alleged entering/affirming of a maltreatment finding without affording due process in the investigation.
- (2) The claims by Amy and Karley are alleging a continuous exposure to substantially the same general harmful condition: the alleged entering/affirming of a maltreatment finding without affording due process in the investigation. To the

extent Amy and Karley's claims could allege an "occurrence," they allege a single "occurrence."

- (3) The claims by Amy and Karley are claims arising out of the same or substantially same or continuous "wrongful act": the alleged entering/affirming of a maltreatment finding without affording due process in the investigation. To the extent Amy and Karley's claim could allege a "wrongful act," it alleges a single "wrongful act."
- (4) The County and MCIT agree that Amy and Karley's claims alleging a failure to properly investigate claims of maltreatment brought against Amy and Karley before entering/affirming a finding of maltreatment allege a single "occurrence"/"wrongful act."
- (5) The County argues that Karley's claim alleges two "occurrences"/"wrongful acts." The County alleges that Amy and Karley are making a claim for wrongful harassment based on the investigation of Amy and Karley – and that Karley is making a separate claim for harassment based on Cahlin's report of the unsupported findings about Karley to teacher licensing boards. The County argues Karley's alleged second claim of harassment supports finding a separate "occurrence" or "wrongful act." But a review of the Liability Complaint does not show any claim for harassment being made. Coverage is determined based on the claims alleged in the Liability Complaint.
- (6) The County alleges Karley's claim that Cahlin reported the unsupported maltreatment finding to education licensing authorities alleges a separate "occurrence" or "wrongful act" because it goes beyond entering the maltreatment finding. The Liability Complaint alleges one action/method alleged to violate both Amy and Karley's constitutional rights: the alleged entering of a maltreatment finding without affording due process in the investigation. There is no separate claim that Cahlin violated Karley's constitutional rights by reporting the unsupported finding. And there is no constitutional right against reporting a finding. The constitutional harm is caused by the fact that the finding was allegedly entered without affording due process.

CONCLUSIONS

- (1) The claims asserted arise out of the allegations that Mahnommen County Child Protection Services employees, Christie Cahlin and Julie Hanson, violated the constitutional rights of Amy Thorson and Karley Thorson by entering/affirming of a maltreatment finding without affording due process in the investigation.
- (2) These claims constitute a single "occurrence" or a single "wrongful act" pursuant to the definitions of "occurrence" and "wrongful act" as set forth in Section IV. Definitions of the MCIT's Coverage Document. Section V, General Conditions, provides that if two or more coverage parts apply to the same "Claim" or "Suit", "the aggregate maximum limit of coverage under all coverage parts shall not exceed the highest applicable limit of coverage under any one coverage part...."
- (3) MCIT has already paid its "wrongful act" limit of \$2 million toward settlement of the Liability Action. It owes nothing further under the Coverage Document.

Motion carried. Voting Yes: Antony, Wachal, Ward, Swanson, Patzer, Skyles and Meyer. Absent: Schreifels and Mortenson.

000 Executive Director Steve Nelson reviewed activities of MCIT associates since the last board meeting (details on file) and reviewed potential agenda items for the spring work session in April.

OTHER BUSINESS

- Board Spring Work Session: April 9-10, 2026
- Next Regular Board Meeting: April 10, 2026
- PRIMA Conference – Fort Lauderdale, FL: June 7-10, 2026

ADJOURN

Chair Antony adjourned the March 13, 2026 meeting of the MCIT Board of Directors at 12:55 p.m.

Respectfully submitted by:

Randy Schreifels
MCIT Secretary/Treasurer