Minutes of the Budget and Finance Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, October 29th , 2024, scheduled for 11:30 a.m. in the WISH Building Executive Conference Room (02-175) at Parkland Health and via WebEx. These minutes do not constitute a certified agenda from the meeting.

I. Attendance and Call to Order

Committee Chair Ramon Miguez, PE, noted that a quorum was physically present and called the meeting to order at 11:30 a.m. Committee member Byron Cryer, MD, and Eric G. Bing attended in-person and Lisa Sutter attended via Webex.

Board Member attendees included: Vincent Hall

Staff Present (via Webex and in-person) included:

Donna Richardson, EVP & CNE
Edmundo Castaneda, EVP & COO (via Webex)
Fred Cerise, President & Chief Executive Officer (via Webex)
Gerry Baker, SVP/Revenue Cycle
James Orrison, Administrative Resident
Jessica Hernandez, SVP & Chief DEI Officer
Joe Longo, SVP/Chief Information Officer
Keri Disney-Story, VP/Clinical Finance
Morgan Simmons, Governance Program Coordinator
Melanie Roberts, SVP/Chief Compliance & Ethics Officer (via Webex)
Pam Bryant, SVP Chief Supply Chain Officer
Rick Humphrey, EVP & Chief Financial Officer
Saul Cordero, SVP & Chief Governance & Strategy Officer
Steven Roth, EVP & Chief Legal Officer
Tabitha Lee, VP Finance/Controller
Vic Summers, SVP Internal Audit

II. Mission Statement

Committee Chair began the meeting by stating the mission statement:
Advance Wellness | Relieve Suffering | Develop and Educate

III. Public Comments Regarding Agenda Items

No members of the public registered for comments regarding the agenda items.

IV. Conflicts of Interest

After review of the agenda, the Chair noted zero conflicts of interest for Board Members present.

V. Reports Requiring Deliberation(s) or Approval(s)

A. Consideration and Appropriate Action Regarding Contracts over $200,000

Pam Bryant reviewed the briefing documents for contracts over $200,000. (See Appendix A of these minutes for more specific details on each contract). Pam Bryant presented each contract based on expense, capital, revenue, and selection method (sole source and non-sole source).

The Committee asked questions and received additional information related to the consideration of the contracts over $200,000.

Ramon Miguez asked for a motion to approve contracts over $200,000. Eric G. Bing motioned for approval. Vincent Hall seconded. The motion carried unanimously.

B. Consideration and Appropriate Action Regarding Capital Substitutions

Pam Bryant reviewed the briefing documents for capital substitutions. (See Appendix B of these minutes for more specific details on each substitution). Pam Bryant presented the capital substitution based on expense, reasoning, and selection method (sole source and non-sole source). The capital substitution for this month regarded an Exhaust Fan Upgrade in the Moody Pharmacy.

Ramon Miguez asked if this fan was an oversight or design error to the previous contract approved for this fan system.

Ramon Miguez asked for a motion to approve the capital substitutions. Eric G. Bing motioned for approval. Byron Cryer seconded. The motion carried unanimously.

C. Update and Report Parkland Financial Performance Presentation

For the month of September (the final month of FY24), Parkland Health recognized a net income of $44.9M which is $36.8M higher than the budgeted net income of $8.1M and $2.5M unfavorable compared to the prior year net income of $47.4M. Parkland Health's operating margin and operating cash flow margin for the month of September are 12.7% and 15.6%, respectively. The operating margin was favorable compared to budget of 0.6% and the
operating cash flow margin is favorable compared to budget of 3.8%. Parkland Health's operating margin is unfavorable compared to prior year operating margin of 13.9% and unfavorable to the operating cash flow margin of 26.2% from the prior year.
Parkland Health's patient cash collections in September were $107.5M which is higher than budget by $11.2M and $29.4M above the prior year. Parkland Health's days cash on hand of 216.8 days for the month is an increase of 30.9 days compared to prior month of 185.9 days and compared to the prior year September of 176.9 days, an increase of 40.0 days.

Rick discussed the September month-to-date Key Statistics which showed discharges below budget for discharges in the Emergency Department due to a lower census but

longer length of stay for each admission. There was a high volume of deliveries in September. For the most part, we were positive to budget besides the ED, which is still recovering from the pandemic, otherwise, the length of stay was slightly higher than usual. Rick also mentioned a change in payer mix type due to the switch from Medicare to unfunded status. Overall, Parkland remained remarkably close to the projected FY24 Budget and the Board congratulated Rick and his team on their projections and management over the organization's finances.

The Committee asked questions and received further information related to the Income Statements.

VI. Follow-Up Requests: None

VII. Closing Remarks

VIII. **Adjourn**

With no further business to discuss, Committee Chair Ramon Miguez, PE, adjourned the meeting at 12:44 pm.

SO RECORDED:

RFMA
RFMA (Nov 25, 2024 11:01 CST)

Ramon Miguez, PE
Committee Chair

Steven J Roth
Steven J Roth (Nov 25, 2024 14:22 CST)

Steven Roth, JD, MPH
Assistant Secretary

Appendix A (Contracts Reviewed for Appropiate Action)

Item	Contract Type	Service or Product	Supplier	Contract Term	Current Contract Approval Amount Request	New Approved Contract Value	Selection Method	Budgeted?	Business Owner / Dept.	MWBE %	MWBE Gender	MWBE Ethnicity
												September 25, 2024
Medical Products and Services												
M1	Expense	Mod # 10 Clinical Services – Part A Expense	The University of Texas Southwestern Medical Center	10/1/2014-9/30/2025	$766,454	$8,294,400	Sole Source Modification	Yes	Shelia Fisher	N/A	N/A	N/A
M2	Revenue	Mod # 10 Clinical Services – Part B Revenue	The University of Texas Southwestern Medical Center	10/1/2014-9/30/2025	($2,129,236)	($19,476,356)	Sole Source Modification	N/A-Revenue	Niccole McKinley	N/A	N/A	N/A
M3	Revenue	Mod # 2 Clinical Research Services	The University of Texas Southwestern Medical Center	10/1/2021-3/31/2025	($350,000)	($2,450,000)	Sole Source Modification	N/A-Revenue	Susan Partridge	N/A	N/A	N/A
M4	Expense	Mod # 4 Biotel services	The University of Texas Southwestern Medical Center	10/1/2016-9/30/2025	$211,317	$449,234	Sole Source Modification	Yes	Melody Gardner and Courtney Edwards	N/A	N/A	N/A
Construction and Facilities												
C1	Capital	8th & 9th Floor Build-Out	Beck-AO Joint Venture	10/1/2024-9/30/2026	$37,000,000	$37,000,000	Request for Qualifications	Yes	Marc Leediker	30%	TBD	TBD
C2	Expense	Strategic Facilities Plan	Blue Cottage Consulting, Inc	10/1/2024-12/31/2025	$2,576,717	$2,576,717	Request for Qualifications	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Saul Cordero	29%	See Chart	See Chart
C3	Capital	AMX Navigate PLUS, X-ray Portables	GE Healthcare, LLC	Last Signature - 9/30/2025	$1,682,698	$1,682,698	GPO Purchase	Yes	Patrick Eaton	0%	N/A	N/A
C4	Capital	RS 3400 QuaStar® X-Ray BLOOD IRRADIATOR	Rad Source Technologies, Inc.	Last Signature - 9/30/2025	$262,188	$262,188	Sole Source	Yes	Bernie Buenvenida	0%	N/A	N/A
C5	Expense	Mod # 9 Adding funds Agile Destination Dispatch Screens	ThyssenKrupp Elevator	6/14/2012-10/31/2025	$1,137,672	$8,764,591	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Roderick Stephens	0%	N/A	N/A
Hospital Operations												
O1	Expense	The County will provide health care services reimbursable by Parkland Health	Dallas County Health & Human Services	10/1/2024-9/30/2025	$12,321,517	$12,321,517	Sole Source	Yes	Tabitha Lee	N/A	N/A	N/A
O2	Expense	Mod # 7 Extend midlevel time studies for one year	Forvis Mazars, LLP	4/21/2024-9/30/2025	$125,400	$600,166	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	James Blasingame	0%	N/A	N/A
O3	Revenue	Mod # 2 Administrative Services	Parkland Community Health Plan, Inc.	10/1/2021-9/30/2025	($2,750,000)	($11,025,000)	Sole Source Modification	N/A-Revenue	Tabitha Lee	N/A	N/A	N/A
O4	Expense	Mod # 3 Sanction Screening Tool for Compliance, One Year Extension	Streamline Verify, LLC	6/1/2018-9/30/2025	$102,352	$321,852	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Carol Slovacek	0%	N/A	N/A