Minutes of the Budget and Finance Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, December 17th , 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 11:32 a.m. Committee members Byron Cryer, MD and Eric G. Bing attended in-person.

Board Member attendees included: Vincent Hall and Marjorie Petty.

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

Donna Richardson, EVP & CNE
Edmundo Castaneda, EVP & COO
Felicia Miller, EVP & Chief Talent Officer
Fred Cerise, President & Chief Executive Officer
Guy Toliver, Dir. Inclusion-Supply Diversity
Gerry Baker, Sr. VP Revenue Cycle
James Orrison, Administrative Resident
Jessica Hernandez, SVP & Chief DEI Officer
Keri Disney-Story, VP/Clinical Finance
Morgan Simmons, Governance Program Coordinator
Melanie Roberts, SVP/Chief Compliance & Ethics Officer
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
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. Byron Cryer motioned for approval. Eric Bing seconded. The motion carried unanimously.

B. Consideration and Appropriate Action Regarding Fiscal 8311-1-15 Supplemental Savings Plan Investment Policy

Rick introduced this policy regarding the supplemental savings retirement planning. Rick mentioned there is a 457, 453 and 403b plans. This policy was last approved in January 2024 and there are minimal changes to the policy this year. The changes included: A change to the document name to "Supplemental Savings Plan Investment Policy", removal of the Investment Structure illustration, updated the name of the Investment Consultant and replaced the former consultants' illustration with the new consultants' illustration.

Ramon Miguez asked for a motion to approve the Supplemental Savings Policy. Byron Cryer motioned for approval. Eric Bing seconded. The motion carried unanimously.

C. Update and Report Parkland Financial Performance Presentation

For the month of November, Parkland Health recognized a net income of $10.2M which is $1.5M higher than the budgeted net income of $8.7M and $5.1M unfavorable compared to the prior year net income of $15.3M.

Parkland Health's operating margin and operating cash flow margin for the month of November are 0.3% and 3.6%, respectively. The operating margin was unfavorable compared to budget of 0.4% and the operating cash flow margin is unfavorable compared to budget of 3.9%. Parkland Health's operating margin is unfavorable compared to prior year operating margin of 0.6 and unfavorable to the operating cash flow margin of 4.0% from the prior year.

Parkland Health's patient cash collections in November were $91.2M which is higher than budget by $14.2M and $8.9M below the prior year. Parkland Health's days cash on hand of 171.5 days for the month is a decrease of 15.7 days compared to prior month of 187.2 days and compared to the prior year November of 171.1 days, an increase of 0.4 days.

Rick discussed the November month-to-date Key Statistics which showed variances positive to the overall budget. Rick mentioned although the variance was positive, there is a worsening payer mix and lower total cash flow by about one percent. Rick mentioned a raise in rates from about 3.8% from the beginning of November to 4.5% by end of November. Rick discussed the Parkland Health Plan which caused a $1.5 million decrease in operating margin.

Rick mentioned although October was positive across the board and November was much less favorable, the past two months evened out overall. The average length of stay goal is going to be 5.85 and so far, both October and November have met that target. The case mix for the month of November was strong along with patient cash which is above budget.

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 12:54 pm.

SO RECORDED:

RFMA
RFMA (Feb 3, 2025 11:45 CST)

Ramon Miguez, PE
Committee Chair

Steven Roth
Steven Roth (Feb 4, 2025 11:11 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
												December 18, 2024
Medical Products and Services												
M1	Expense	Mod # 5 Watchman FLX Pro Left Atrial Appendage Closure Device	Boston Scientific	4/1/2019 - 4/30/2027	$700,000	$1,380,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Cheston Chan, Perioperative Services	0%	N/A	N/A
M2	Expense	Mod # 1 Cochlear Implants	Cochlear Americas	8/1/2022 - 7/31/2025	$180,000	$420,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Cheston Chan, Operating Room	0%	N/A	N/A
M3	Expense	Mod # 4 3M (Federal APD) Parking Services	Designa Access Corporation	3/1/2013 - 2/28/2030	$850,000	$1,991,312	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Marlin Suell, Police Department	0%	N/A	N/A
M4	Expense	Mod # 10 Data initiative	Dallas Fort Worth Hospital Council Ventures, Inc. (DFWHC)	1/1/2013 - 12/31/2027	$625,000	$3,111,737	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Vasu Polineni, Strategy & Business Development	0%	N/A	N/A
M5	Expense	Mod # 1 GE Diagnostic Imaging Systems Support & Maintenance	GE Precision Healthcare LLC	9/1/2023 - 8/31/2028	$375,000	$2,791,380	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year	Travis Kobernick, Clinical Engineering	0%	N/A	N/A
M6	Expense	Mod # 1 Amendment for one year extension	Hologic, Inc	1/29/2020 - 1/28/2026	$500,000	$2,665,112	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Sara Blacketer/Scott Hampton, Anatomic Pathology/Laboratory Services	0%	N/A	N/A
M7	Expense	Genesis Bi-wing Positioners	Infinitus Medical Technologies	12/19/2024 – 11/30/2029	$750,000	$750,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year	Cheston Chan, Perioperative Services	0%	N/A	N/A
M8	Revenue	Mod # 2 Resident Reimbursement	Tarrant County Hospital District d/b/a JPS Health System	7/1/2019 - 12/31/2024	($175,000)	($2,450,000)	Revenue	N/A-Revenue	Elizabeth Ponce, Graduate Medical Education	N/A	N/A	N/A
M9	Revenue	Resident Reimbursement	Tarrant County Hospital District d/b/a JPS Health System	1/1/2025 – 12/31/2025	($450,000)	($450,000)	N/A-Revenue	N/A-Revenue	Elizabeth Ponce, Graduate Medical Education	N/A	N/A	N/A

M10	Expense	Mod # 1 Extend current agreement three years and add funding	KLS Martin	11/1/2011 - 1/31/2028	$4,000,000	$7,840,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Cheston Chan, Perioperative Services	0%	N/A	N/A
M11	Expense	Valet Parking Service	Lanier Shuttle & Valet, Inc	1/1/2025 – 12/31/2029	$4,547,022	$4,547,022	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Kristi Tillery, Valet Parking Service	0%	N/A	N/A
M12	Expense	Mod # 9 Neuro Interventional Products	Medtronic USA, Inc	10/24/2018 - 12/31/2025	$435,000	$2,235,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	John Camacho, Interventional Radiology	0%	N/A	N/A
M13	Expense	MATC Software Evolution Support & Maintenance Services	Philips Healthcare	1/1/2025 – 12/31/2029	$6,745,676	$6,745,676	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Travis Kobernick, Clinical Engineering	0%	N/A	N/A
M14	Expense	Recycling and Shred Disposal Services	Republic Service, Inc	1/1/2025 – 12/31/2029	$736,118	$736,118	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Eric Walker, Operations Administration	0%	N/A	N/A
M15	Expense	Total Joint Products and Accessories	Smith & Nephew	Last Signature – 5 Years	$1,750,000	$1,750,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Perioperative Services	0%	N/A	N/A
M16	Expense	Mod # 1 Streck BCT Tubes Annual Quote Extension	Streck Laboratories	1/1/2024 - 12/31/2025	$246,000	$400,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Kristian Faulk/Scott Hampton, Laboratory Services/Chemistry	0%	N/A	N/A
M17	Expense	Mod # 4 Extend Umbilical Tags and Bands	Guard RFID Solutions, Inc	1/6/2016 - 1/15/2026	$45,000	$243,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tamesha Pearson, WISH Administration	0%	N/A	N/A

M18	Expense	Tissue distribution contract	UTSW	1/1/2025 – 12/31/2029	$25,000,000	$25,000,000	Exempt from Competition	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Peri-op Services Department	N/A	N/A	N/A
M19	Expense	Water Treatment Services & Materials	Veolia WTS Services USA, Inc	1/1/2025 – 12/31/2029	$480,000	$480,000	Invitation for Bids	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Travis Kobernick, Clinical Engineering	0%	N/A	N/A
Construction and Facilities												
C1	Capital	Garland COPC Phase II Renovations	CMC Development & Construction	12/20/2024 – 7/19/2025	$500,000	$500,000	Invitation for Bids	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Asma Momin, Planning, Design and Construction	30.06%	See Chart	See Chart
C2	Capital	Mod # 2 Pharmacy Refill Minor Interior Improvements	Falkenberg Construction Co., Inc	1/29/2024 - 12/31/2024	$117,794	$533,937	Invitation for Bids	Yes, for the current fiscal year. Additional years costs will be	Paul Woodard, Planning Design and Construction	84%	See Chart	See Chart
C3	Capital	ASC Procedure Room Expansion	Swinerton Builders	12/20/2024 – 12/19/2025	$1,116,700	$1,116,700	Request for Qualifications	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Cynthia Harrington, Planning, Design and Construction	41.67%	TBD	TBD
C4	Capital	Lab Consolidation Custom Air Handler	Texas Air Systems	12/19/2024 – 11/30/2025	1060200	1060200	GPO Competition	Yes	Marc Leediker, Planning, Design and Construction	0%	N/A	N/A
C5	Capital	Lab Consolidation Pneumatic Tube Hardware	Translogic Corporation dba Swisslog Healthcare	Last Signature – 1 Year	$1,591,100	$1,591,100	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Marc Leediker, Planning, Design and Construction	0%	N/A	N/A
Information Technology												
IT1	Expense	Abridge Ambient Listening Solution	Abridge AI, Inc	12/20/2024 - 12/19/2027	$2,160,000	$2,160,000	Sole Source	Yes	Jeff DeFord / Joseph Longo, Information Technology	0%	N/A	N/A
IT2	Capital: New Parkland	Megahertz Technology, Inc	Leonardo DMR 800 MHz Radio System	Last signature – Five years	$3,244,190	$3,244,190	TXMAS or DIR Purchase	Yes	Longo, Information Technology	0%	N/A	N/A

Hospital Operations												
O1	Expense	Mod # 1 Add Funds	American Bottling Company	1/17/2017 - 2/27/2028	$735,911	$1,898,911	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year	Jeffrey Madison, Nutrition Services	0%	N/A	N/A
O2	Expense	Mod # 5 Recell Skin Grafting System	Avita Medical Americas LLC	7/26/2019 - 7/25/2027	$2,000,000	$4,560,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Cheston Chan, Operating Room	0%	N/A	N/A
O3	Revenue	Mod # 1 LMSW Services for DART Care	Dallas Area Rapid Transit	11/1/2023 - 10/31/2025	($622,709)	($1,183,019)	Contract Extension without Competition	N/A-Revenue	Kristin Peterson, Psych Social Work	0%	N/A	N/A
Ratification/Deviation/Informational Only												
D1	Revenue: Court Approval-Approved Deviation	Mod # 4 Amendment #6 to Lease Agreement	Michael Carroll M.D.	1/1/2013 - 12/31/2025	($27,119)	($436,937)	Sole Source Modification	N/A-Revenue	Beall Carothers, Planning Design & Construction	N/A	N/A	N/A
I1	Expense	2025 DART Employee Annual Pass	Dallas Area Rapid Transit (DART)	1/1/2025 - 12/31/2025	$474,480	$474,480	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets	Tawana McCullough, Office of Talent Management/ Total Rewards	0%	N/A	N/A