Minutes of the Budget & Finance Committee meeting of the Dallas County Hospital District, held Tuesday, September 23rd, 2025, scheduled for 11:30 AM in the WISH 02-175 Executive Conference Room 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 members Vincent Hall, Byron Cryer, MD, and Yasmin Simon, JD, attended in person. Lisa Sutter attended via Webex.

**Board Member attendees included:** Board Chair Marjorie Petty, JD.

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

Brett Moran, Chief Health Officer
Edmundo Castaneda, EVP & COO
Fred Cerise, President & Chief Executive Officer
Guy Toliver, Dir Inclusion-Supply Diversity
Joe Longo, SVP & Chief Information Officer
Keri Disney-Story, VP/Clinical Finance
Lance Mendiola, VP Construction & Real Estate
Michelle Ng, Administrative Resident
Morgan Simmons, Governance Program Coordinator
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

**Other Attendees:**
N/A

## II. Mission Statement

The 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 reviewing the agenda, the Chair noted that the board members present had zero conflicts of interest.

## A. 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 for 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 contracts over $200,000.

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

B. Consideration and Appropriate Action Regarding Capital Substitutions

Rick Humphrey presented the capital substitutions. The first substitution for the OK Paper Warehouse Demolition & Surface Parking Replacement project was approved to create additional employee parking spaces. The project went out to bid in the Fall of 2023 and was awarded to Phillips-May on 11/02/2023. The City of Dallas required slightly more than 18 months to issue the building and site permits for the project. During this period, the Phillips-May construction material costs increased by $264K for the following: electrical, concrete, earthwork, and fees. During this delay, the city of Dallas changed certain building requirements that added scope to include thicker entrance/exit drive aprons and improvements to the existing lighting along Butler Street. Next, the Irving COPC has encountered numerous issues with its roof since the clinic was built in 2007. The issues with the roof are primarily caused by cracks/shifts in the foundation, which have caused tears in the seams of the roof. After years of foundation movement and legal litigation, the foundation repairs were completed in 2023. The facility is still experiencing numerous leaks each time it rains, resulting in replacement of up to 70 tiles each time. This is disruptive to patient care as sections of the facility can't be used until repairs are made after each event.

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

C. Update and Report Parkland Financial Performance Presentation

For the month of August, Parkland Health recognized a net income of $29.9M which is $21.3M higher than the budgeted net income of $8.6M and $15.9M favorable compared to the prior year net income of $14.0M. Parkland Health's operating margin and operating cash flow margin for the month of August are 0.0% and 2.9%, respectively. The operating margin was unfavorable compared to budget of 0.34% and the operating cash flow margin is unfavorable compared to budget of 3.7%. Parkland Health's operating margin is unfavorable compared to prior year operating margin of 0.8% and unfavorable to the operating cash flow margin of 4.0% from the prior year. Parkland Health's patient cash collections in August were $107.5M, which is lower than budget by $14.4M and $8.9M lower than the prior year. Parkland Health's days cash on hand of 218.3 days for the month is a decrease of 12.2 days compared to prior month of 230.5 days and compared to the prior year August of 185.9 days, an increase of 32.4 days.

Discussions emphasized the need to control benefit costs, with a $50M unfavorable variance prompting a fiscal 2026 cap. Patient volumes were below budget, yet net patient revenue rose due to favorable payer mix and reserve drawdowns. Strategic planning sessions highlighted challenges in provider engagement, workforce development, and health equity tracking.

A. Follow-Up Requests

B. Closing Remarks

C. **Adjourn**

With no further business to discuss, Committee Chair Ramon Miguez, PE, adjourned the meeting at 12:40 pm.

SO RECORDED:

RFMA
RFMA (Oct 30, 2025 13:34:08 CDT)

Ramon Miguez, PE
Committee Chair

Steven Roth
Steven Roth (Nov 5, 2025 15:38:40 CST)

Steven Roth, JD, MPH
Assistant Secretary

## Appendix A (Contracts Reviewed for Appropiate Action)

| Item | Contract Type | Service or Product | Supplier | Contract Term | Contract Approval Amount Request | New Approved Contract Value | Selection Method | Budgeted? | Business Owner / Dept. | MWBE % | MWBE Gender | MWBE Ethnicity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | September 24, 2025 |
| **Medical Products and Services** | | | | | | | | | | | | |
| M1 | Revenue | Mod # 1 Bio-Medical On-Line Supervision for Emergency Medical System (University Park) | City of University Park, Texas | 10/1/2016 - 9/30/2027 | ($68,102) | ($256,840) | Contract Extension without Competition | N/A-Revenue | Melody Gardner / Emergency Services | \d | N/A | N/A |
| M2 | Capital | ARTEVO 750 Systems | Carl Zeiss Meditec, Inc. | Last Signature - 11/13/2026 | $749,343 | $749,343 | GPO Purchase | Yes | Andrew Hohman / Clinical Engineering | N/A | N/A | N/A |
| M3 | Expense | Mod to Add Funds #1 Investment Management - Internal Portfolio | Hilltop Securities Asset Management | 10/16/2021 - 10/15/2027 | $770,000 | $1,310,000 | Non-Sole Source Modification | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Joe Mayer / Treasury Management | 0% | N/A | N/A |
| M4 | Expense | Thyroid Molecular Testing | Interpace Diagnostics Corporation | 10/1/2025 - 9/30/2030 | $781,000 | $781,000 | Request for Proposals (Best Value) | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Sara Blacketer/Scott Hampton / Anatomic Pathology | 0% | N/A | N/A |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| M5 | Capital | UltraPulse $CO_2$ Laser System | Lunmenis BE, Inc. | Last Signature – 9/29/2026 | $293,899 | $293,899 | GPO Purchase | Yes | Andrew Hohman / Clinical Engineering | N/A | N/A | N/A |
| M6 | Capital | Mod # 1 Addition of Multi-Script Packaging Lines | Innovation Associates, Inc. d/b/a iARX | 4/1/2023 – 4/13/2026 | $448,734 | $6,606,446 | Sole Source Modification | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Carrie Berge / Pharmacy Administration | N/A | N/A | N/A |
| M7 | Expense | InterStim Therapy System | Medtronic | 10/1/2025 – 9/30/2030 | $1,000,000 | $1,000,000 | Sole Source | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Cheston Chan / Urology/Perioperative Services | N/A | N/A | N/A |
| M8 | Revenue | Mod # 2 Administrative Services | Parkland Community Health Plan, Inc. | 10/1/2021 – 9/30/2026 | ($2,308,914) | ($13,333,914) | N/A-Revenue | N/A-Revenue | Raquel Hardy / Finance | N/A | N/A | N/A |
| M9 | Expense | Mod to Add Funds 1 – Neurovascular Implants | Stryker Neurovascular | 1/1/2019 – 12/31/2025 | $137,000 | $2,285,100 | Sole Source Modification | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Shawn Grady / Interventional Radiology | N/A | N/A | N/A |
| M10 | N/A-Revenue | House Staff Services | The University of Texas Southwestern Medical Center | 9/1/2025 – 6/30/2036 | ($8,000,000) | ($8,000,000) | N/A-Revenue | N/A-Revenue | Elizabeth Ponce / Graduate Medical Education | N/A | N/A | N/A |
| M11 | Expense | Material Transfer Agreement with Dallas County, Texas, to support the opioid surveillance project | Dallas County Texas | Last Signature – Five Years | $0 | $0 | Contract Award without Competition | N/A-Zero Dollar | Leticia Blea / Research Administration | N/A | N/A | N/A |
| M12 | Expense | Mobile Vaccination, Sports Physicals, and Community Wellness Services | Dallas Independent School District | Last Signature – 6/30/2026 | $0 | $0 | Contract Award without Competition | N/A-Zero Dollar | James Perez / Clinic Operations | N/A | N/A | N/A |
| M13 | Expense | Mod # 11 Clinical Services – Part A Expense | The University of Texas Southwestern Medical Center | 10/1/2014 – 9/30/2026 | $283,114 | $8,577,514 | Sole Source Modification | Yes | Shelia Fisher / Grants Management | N/A | N/A | N/A |
| M14 | Revenue | Mod # 11 Clinical Services – Part B Revenue | The University of Texas Southwestern Medical Center | 10/1/2014 – 9/30/2026 | ($620,000) | ($20,096,356) | Sole Source Modification | Legal approved base document, amendment has no changes | Niccole McKinley / WISH Administration | N/A | N/A | N/A |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| M15 | Expense | The County to provide health care services reimbursable by Parkland Health | Dallas County Health & Human Services | 10/1/2025 - 9/30/2026 | $12,995,315 | $12,995,315 | Sole Source | Yes | Raquel Hardy / Finance | N/A | N/A | N/A |
| **Construction and Facilities** | | | | | | | | | | | | |
| C1 | Revenue: Court Approval | Avir at Memorial (fka Terrace at Denison) Sub-Sublease | 1300 MEMORIAL DR OPCO, LLC, which is a subsidiary of Avir Health Group | Upon execution - 8/31/2027 | $0 | $0 | Real Estate - Exemption | Yes | Beall Carothers / Planning, Design & Construction | N/A | N/A | N/A |
| C2 | Revenue: Court Approval | Avir at River Valley (fka River Valley Health and Rehabilitation) Sub-Sublease | 1907 Refinery Rd OPCO, LLC, which is a subsidiary of Avir Health Group | Upon execution - 8/31/2028 | $0 | $0 | Real Estate - Exemption | Yes | Beall Carothers / Planning, Design & Construction | N/A | N/A | N/A |
| **Information Technology** | | | | | | | | | | | | |
| IT1 | Expense | IT Consultants | ReVuud Inc | 9/24/2025 - 9/2/2026 | $1,570,572 | $1,570,572 | Contract Award without Competition | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | LeMar Oleson, James Gaston, Adam Taufique, Greggory Ervin, Deborah Johnson, Cynthia Hamilton / Information Technology | N/A | N/A | N/A |
| **Hospital Operations** | | | | | | | | | | | | |
| O1 | Expense | Mod # 7 External Audit Services | Forvis Mazars, LLP | 5/17/2025 - 5/16/2026 | $683,000 | $5,195,749 | Non-Sole Source Modification | Yes | Pamela Bryant / Finance Administration | 0% | N/A | N/A |
| O2 | Capital | Baxter Patient Care Beds with ReadyConnect Wireless Option | Hill-Rom Company, Inc. | Last Signature - 4/30/2028 | $1,577,829 | $1,577,829 | GPO Purchase | Yes | Patrick Eaton / Clinical Engineering | N/A | N/A | N/A |

**Parkland Health**
**FY2025 Capital Substitution**
**For September 2025 Board Meeting**

| Ref # | Division | Project Total | Substitution Amount | Description |
|---|---|---|---|---|
| 1 | Facilities | $5,782,004 | $300,000 | Demolition of OK Paper Warehouse/Parking Surface Replacement |
| | **Explanation** | The OK Paper Warehouse Demolition & Surface Parking Replacement project was approved to create additional employee parking spaces. The project went out to bid in the Fall of 2023 and was awarded to Phillips-May on 11/02/2023. The City of Dallas required slightly more than 18-months to issue the building and site permits for the project. During this period, the Phillips-May construction material costs increased by $264K for the following: electrical, concrete, earthwork, and fees. During this delay, the city of Dallas changed certain building requirements that added scope to include thicker entrance/exit drive aprons and improvements to the existing lighting along Butler Street. | | |
| | **Driver(s) of Increased Expense:** | Increased construction material costs for electrical, concrete, earthwork, and fees due to the 18 month lag time in issuance of building/site permits from the City of Dallas | | |
| | **Description of Item:** | Demolition of warehouse; development of additional employee parking spaces | | |
| 2 | Facilities | $485,220 | $485,220 | Irving COPC Roof Replacement |
| | **Explanation** | The Irving COPC has encountered numerous issues with its roof since the clinic was built in 2007. The issues with the roof are primarily caused by cracks/shifts in the foundation, which have caused tears in the seams of the roof. After years of foundation movement and legal litigation, the foundation repairs were completed in 2023. The facility is still experiencing numerous leaks each time it rains, resulting in replacement of up to 70 tiles each time. This is disruptive to patient care as sections of the facility can't be used until repairs are made after each event. | | |
| | **Driver(s) of Increased Expense:** | Foundation issues; tears/cracks in the seams of the roof, which leak each time it rains | | |
| | **Description of Item:** | Roof replacement | | |
| | **Grand Total** | **$6,267,224** | **$785,220** | |