Minutes of the Budget, Finance & Infrastructure Committee meeting of the Dallas County Hospital District, held Tuesday, July 28th, 2026, 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 present and called the meeting to order at 11:32 a.m. Committee Members present included: Jeff Tillotson, JD, Marjorie Petty, JD, and Yasmin Simon, JD.

Board Member attendees (via Webex) included: Miriam Sharma, RN and Vincent Hall.

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

Anthony Davis, Dir., Financial Operations
Beall Carothers, Dir., Real-Estate Development
Brett Moran, Chief Health Officer
Donna Richardson, EVP & Chief Nursing Officer
Felicia Miller, EVP & Chief Talent Officer
Fred Cerise, President & Chief Executive Officer
Jeffery Giles, Sr. Associate Attorney
Joe Longo, Chief Information Security Officer
Joe Mayer, Dir., Treasury
Joseph Chang, Chief Medical Officer
Kelly Rossi, SVP Revenue Cycle
Keri Disney-Story, VP/Clinical Finance
Lance Mendiola, VP Construction Facilities Real Est.
Melanie Roberts, Chief Compliance and Ethics Officer
Michael Malaise, SVP Communications & Ext. Affairs
Morgan Simmons, Governance Program Manager
Natalie Garza Vasquez, Administrative Resident
Pamela Bryant, SVP & Supply Chain Management (via Webex)
Saul Cordero, SVP & Chief Governance & Strategy Officer

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 there were no conflicts of interest.

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

A. Consideration and Appropriate Action Regarding the Annual Review of the Budget, Finance and Infrastructure Committee Charter

The Committee reviewed the proposed revisions to the Committee Charter, which were made to align with the merger of the former Facilities Committee into the Budget, Finance & Infrastructure Committee. Members discussed the scope of the Committee's facilities oversight responsibilities, emphasizing the Board's governance role in overseeing processes, major capital projects, procurement practices, consultant and contractor selection, facility planning, and project prioritization rather than day-to-day operational matters. The discussion also highlighted expectations for regular infrastructure updates and early engagement with the Board on significant projects.

Ramon Miguez asked for a motion to recommend Board approval of the Committee Charter. Jeff Tillotson motioned for approval. Yasmin Simon seconded. The motion carried unanimously.

B. 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 worth over $200,000.

Ramon Miguez asked for a motion to recommend Board approval of the contracts over $200,000. Jeff Tillotson motioned for approval. Marjorie Petty seconded. The motion carried unanimously.

C. Consideration and Appropriate Action Regarding Capital Substitutions

Anthony Davis reviewed the Capital Substitution with the Committee. This request is for the replacement of two boilers at the Ambulatory Surgery Center (ASC). The two units to be replaced are 20 years old and have exceeded their expected service life of 20 years. The boilers provide heating water for the facility's HVAC system, which supports temperature control throughout the ASC. During the recent annual inspection and preventive maintenance activities, extensive deterioration and failure were identified

within the internal firebox assembly. Available repair options are not expected to provide a dependable long-term solution. The existing boilers could fail without warning, which could result in the following: loss of HVAC heating capability for the entire ASC facility; disruption of patient care operations. Immediate action is required to ensure continuity of service for building operations and patient care activities. The issues that were identified during the annual inspection were not known at the time that the annual budget was prepared.

Ramon Miguez asked for a motion to approve the capital substitution. Yasmin Simon motioned for approval. Jeff Tillotson seconded. The motion carried unanimously.

D. Consideration and Appropriate Action Regarding Parkland Health-Tax Increment Financing District Update

The Committee received an overview of Tax Increment Financing (TIF) districts and Parkland's historical involvement in these economic development initiatives. Members discussed how TIFs are used by municipalities to support infrastructure improvements and redevelopment projects by leveraging future increases in property tax values. The Committee reviewed the status of the Oak Cliff Gateway and Sports Arena TIF districts, including their anticipated extensions through approximately 2032–2033. Discussion focused on the potential long-term benefits of redevelopment, the impact on future tax revenues, and Parkland's role in TIF governance.

Ramon Miguez requested a motion to recommend Board approval of the appointment of Mike Malaise and Edna Rano as Parkland representatives to the respective TIF boards, replacing Joe Mayer upon his retirement. Jeff Tillotson motioned. Yasmin Simon seconded. The motion passed unanimously.

E. Update and discussion on Follow-up Request Regarding Accounts Receivable from "June" Committee Meeting

The Committee received an update from Kelli Rossi on accounts receivable (AR) performance and ongoing revenue cycle improvement efforts. Kelli reviewed the key components of the revenue cycle, highlighting significant progress made in reducing coding and billing backlogs and improving overall collections' performance. Kelli reported that accounts awaiting coding were reduced from approximately $483 million to $154 million, meeting the organization's target and establishing a sustainable process going forward. The Committee discussed the distinction between AR days and claim aging, performance metrics used to monitor collections, and the circumstances that contributed to the growth of prior backlogs, including the suspension of certain collection

activities under a previously contemplated outsourcing strategy that was never implemented.
Kelli also outlined initiatives to strengthen claim management, denial prevention, payer engagement, payment posting, governance, and analytics. The Committee discussed opportunities to leverage Epic Refuel and artificial intelligence tools to improve coding accuracy, automate workflows, enhance documentation quality, and increase collections efficiency. Members emphasized the importance of maintaining clear accountability across departments, supporting employees through technology-driven changes, and ensuring operational improvements translate into long-term financial performance. The Committee commended management for the substantial progress achieved and the record-breaking cash collections reported in recent months.

F. Update and Report Parkland Financial Performance Presentation

Keri Disney-Story provided an update for the month of June. For the month of June, Parkland Health recognized a net income of $(9.8) M which is $(17.8)M lower than the budgeted net income of $8.0M and $(35.4)M unfavorable compared to the prior year net income of $25.6M. Parkland Health's operating margin and operating cash flow margin for the month of June are (6.9%) and (3.9%), respectively. The operating margin was unfavorable compared to the budget of 0.0% and the operating cash flow margin is unfavorable compared to budget of 3.0%. Parkland Health's operating margin is unfavorable compared to prior year operating margin of 5.3% and unfavorable to the operating cash flow margin of 8.2% from the prior year. Parkland Health's patient cash collections in June were $145.8M which is higher than budget by $31.8M and $32.4M higher than the prior year. Parkland Health's days cash on hand of 238.3 days for the month is a decrease of 17.3 days compared to prior month of 247.3 days and compared to the prior year June of 232.3 days, an increase of 6.1 days

G. Update and Review Regarding Parkland Health FY27 Budget

Mr. Ramon Miguez reminded the Committee that there were no substantial changes to the FY27 Budget projections and assumptions and that they would all be brief in depth at tomorrow's full-Board meeting.

H. Update and Report on Current FY26 Facilities Projects (See Attached List of Projects)

Mr. Lance Mendiola updated the Committee on the status of active capital and infrastructure projects through a project health dashboard designed to monitor schedule, budget, and overall project performance. Lance reported that all projects are currently on

track, except for the Emergency Department Triage Expansion project, which remains at risk due to early contractor onboarding and submittal process challenges. The Committee also reviewed upcoming project milestones, including anticipated construction contracts for the Pediatric Behavioral Health buildout and parking lot improvements, expected later this year. Lance highlighted ongoing coordination regarding permitting requirements, potential change orders, and forthcoming updates related to the Southeast project procurement strategy.

A. Follow-Up Requests

B. Closing Remarks

C. **Adjourn**

With no further business to discuss, Committee Chair Ramon Miguez, PE, adjourned the meeting at 1:22 pm.

SO RECORDED:

RFMA
RFMA (Sep 9, 2026 05:53:05 CDT)

Ramon Miguez, PE
Committee Chair

Brad Nitschke
Brad Nitschke (Sep 8, 2026 13:20:18 CDT)

Brad Nitschke, JD
Assistant Secretary

Appendix A (Contracts Reviewed for Appropriate 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.
									July 29, 2026
				Medical Products and Services					
M1	Capital and Expense	Modify Current GPO agreement to Replace Abbott ARCHITECT analyzers with Abbott Alinity analyzers	Abbott Laboratories, Inc.	12/4/2019 - 8/7/2031	$4,750,000	$13,247,474	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz / Scott Hamilton / Laboratory Services- Microbiology
M2	Expense	Mod # 4 Add funding, add products (new control reagents) and extend i-STAT analyzer contract	Abbott Laboratories, Inc.	6/18/2014 - 11/19/2029	$255,000	$4,364,138	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz / Scott Hamilton / Laboratory Services- Pathology
M3	Expense	Mod # 3 Adjudication of insurance claims - extension	First Source	4/1/2018 - 6/30/2027	$1,433,008	$15,432,033	Contract Extension without Competition	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Jim Blasingame / Government Reimbursement
M4	Expense	XCelliStem wound powder	RTT Medical, Inc.	7/29/2026 – 7/28/2030	$515,856	$515,856	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander / Main Operating Room
M5	Revenue	Resident Reimbursement	Tarrant County Hospital District d/b/a JPS Health System	7/1/2026 – 6/30/2027	($950,000)	($950,000)	N/A-Revenue	N/A-Revenue	Elizabeth Ponce / Graduate Medical Education
M6	Revenue	Oral and Maxillofacial Surgery Program Letter of Agreement	Tarrant County Hospital District d/b/a John Peter Smith Hospital	7/1/2026 – 6/30/2031	($280,000)	($280,000)	N/A-Revenue	N/A-Zero Dollar	Elizabeth Ponce / Graduate Medical Education
M7	Capital and Expense	Purchase and turnkey service for installation of Booms, Lights, and Steris Video Integration Hardware in the Operating Rooms	STERIS Corporation	8/27/2026 – 3/31/2027	$13,024,537	$13,024,537	GPO Purchase	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander / Main Operating Room
				Construction and Facilities					
C1	Capital	Bluitt Flowers Pharmacy renovation	Batson-Cook Texas, LLC	8/1/2026 – 7/31/2027	$287,061	$287,061	Invitation for Bids	Yes	Hymavathi Vennapusa / Planning, Design, and Construction

C2	Real Estate – Exemption	Office Lease Agreement – The Stewpot (First Presbyterian Church of Dallas)	First Presbyterian Church of Dallas	7/1/2027 – 6/30/2037 (Estimated lease commencement/expiration. Actual dates will be updated upon completion of Landlord's Work and execution of Exhibit G (Lease Term Commencement Certificate) as outline in the Office Lease Agreement.)	$828,083	$828,083	Real Estate – Exemption	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Beall Carothers / Planning Design & Construction
C3	Capital	Design/Build Services for Bluitt Flowers Health Clinic	Post L Group	7/30/2026 – 7/30/2027	$935,100	$935,100	Request for Qualifications	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Hymavathi Vennapusa / Planning, Design, and Construction
Information Technology									
IT1	Capital	F5 Observability and Monitoring Platform - Physical Appliance, Cloud Based Services, Monitoring Three-Year Support	Insight Public Sector, Inc.	11/1/2026 – 10/31/2029	$885,875	$885,875	GPO Purchase	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Jeff Maxfield / Information Technology
Hospital Operations									
O1	Capital and Expense	Inpatient pharmacy automated pill packager	Pentapack NA Corp	8/1/2026 – 7/31/2027	$262,721	$262,721	Sole Source	Yes	Carrie Berge / Pharmacy Admin
O2	Expense	Unemployment Cost Management Services	Matrix Claims Management Inc.	6/1/2022 - 5/31/2027	$52,000	$240,400	Non-Sole Source Modification	Yes	Felicia Miller / Talent Management
Ratification/Deviation/Informational Only									
R1	Expense-Ratification	Mod # 3 to approve funds utilized for iStat reagents	Abbott Laboratories, Inc.	6/18/2014 - 11/19/2026	$323,322	$4,109,138	Sole Source Modification	Yes	Tim Lenz/Scott Hampton / Laboratory Services - Pathology

Parkland Health
FY2026 Capital Substitution
For July 2026 Board Meeting

Ref #	Division	Project Total	Substitution Amount	Description
1	Facilities	$249,665	$249,665	Ambulatory Surgery Center (ASC) Boiler Replacement (2)
	Explanation	This request is for the replacement of two boilers at the Ambulatory Surgery Center (ASC). The two units to be replaced are 20 years old and have exceeded their expected service life of 20 years. The boilers provide heating water for the facility's HVAC system, which supports temperature control throughout the ASC. During the recent annual inspection and preventive maintenance activities, extensive deterioration and failure were identified within the internal firebox assembly. Available repair options are not expected to provide a dependable long-term solution. The existing boilers could fail without warning, which could result in the following: loss of HVAC heating capability for the entire ASC facility; disruption of patient care operations. Immediate action is required to ensure continuity of service for building operations and patient care activities. The issues that were identified during the annual inspection were not known at the time that the annual budget was prepared.		
	Driver(s) of Increased Expense:	Extensive deterioration and failure within the internal firebox assembly		
	Description of Item:	Boilers (2)		
	Grand Total	$249,665	$249,665	

FY26 Facilities Project List:

A. **Mike A. Myers Health Center** (Richland Clinic)
B. **Parkland Campus** – OK Paper Warehouse Demolition & Surface Parking
C. **Parkland Hospital** – ACH 8th & 9th Floor Shell Buildout
D. **Parkland Hospital** - Emergency Department Triage Expansion
E. **Parkland Hospital** – Interventional Radiology Expansion Rooms 5 & 6
F. **Parkland Hospital** – Lab Consolidation
G. **Parkland Hospital** – Cardiac EP Lab Shell Buildout
H. **Parkland Campus** – Pediatric Behavioral Health Center Renovation
I. **Parkland Campus** – Redfield Parking Lot Improvements
J. **Inland Port**
K. **Southeast Health Center**