Minutes of the Budget and Finance Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, September 24, 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, attended in-person and Vincent Hall was appointed for quorum.

Board Member attendees included: Marjorie Petty, JD

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

Blanca Garcia, Strategy Manager
Donna Richardson, EVP & CNE
Edmundo Castaneda, EVP & COO
Felicia Miller, EVP & Chief Talent Officer via Webex
Fred Cerise, President & Chief Executive Officer (via Webex)
Forrest Stovall, Strategy Program Manager
Guy Toliver, Dir. Inclusion-Supply Diversity
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
Pam Bryant, SVP Chief Supply Chain Officer (via Webex)
Rick Humphrey, EVP & Chief Financial Officer
Samia Zia, Director Strategy
Saul Cordero, SVP & Chief Governance & Strategy Officer
Steven Roth, EVP & Chief Legal Officer
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. Vincent Hall motioned for approval. Byron Cryer seconded. The motion carried unanimously.

B. Update and Report Parkland Financial Performance Presentation

For the month of August, Parkland Health recognized a net income of $14.0M which is $5.7M higher than the budgeted net income of $8.3M and $2.8M unfavorable compared to the prior year net income of $11.2M. Parkland Health's operating margin and operating cash flow margin for the month of August are 0.8% and 4.0%, 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 favorable compared to the prior year operating margin of 1.4% and favorable to the operating cash flow margin of 4.9% from the prior year. Parkland Health's patient cash collections in August were $116.4M which is higher than budget by $17.7M and $14.8M above the prior year. Parkland Health's days cash on hand of 185.9 days for the month is a decrease of 25.6 days compared to prior month of 211.6 days and compared to the prior year August of 210.3 days, a decrease of 24.4 days.

Richard Humphrey reviewed the hospital income statement for the month of August. Rick mentioned operating income was favorable to the budget. The total net income was also favorable to the budget with nearly six-million dollars left in total operating budget. Rick mentioned the net patient revenue was very strong for the month and reflects very busy volumes for the month. Rick presented on a record high number of deliveries and services in over half a decade. Rick mentioned that Parkland continues to move toward a possible shortfall in tax revenue as this year is expected to have very high tax expenditure. Rick mentioned a high revenue from replacement drugs although we still see over expenditure in certain aspects of medical services and supplies as the market continues to increase due to inflation.

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

Key Statistics:
Rick presented on the Key Statistics for August as compared to budget. Rick mentioned hospital discharges and daily census was about 6% over budget as August proved to be a very busy month. The Emergency Department was 2% above budget and deliveries exceeded budget by 20% which is a 9% increase from last year's statistics. Rick mentioned all variances exceeded last year's statistics except average length of stay which was 0.5% lower than last year. Rick presented the gross patient revenue by payor type. Compared prior year to date, the amount of unfunded is similar. Rick mentioned less Medicaid payor type due to the switch to ACA payor types.

The Committee asked questions in regard to Parkland's payor type, payor mix and received further information related to the Key Statistics.

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 12:51 pm.

SO RECORDED:

Ramon F Miguez (Oct 31, 2024 18:07 GMT+1)

Ramon Miguez, PE
Committee Chair

Steven J Roth
Steven J Roth (Nov 2, 2024 12:21 CDT)

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