

## 2009 STATEMENT TO BROADLAWNS MEDICAL CENTER

For 88 years, the Polk-Des Moines Taxpayers Association's philosophy has been based on the principle that good government is the business of every citizen. The Association promotes sound fiscal policies that are tied to effective and efficient government. The Association strives to promote taxpayer awareness and foster intergovernmental cooperation.

The purpose of a budget is to provide a statement expressed in financial terms, which serves as the primary tool for planning and controlling operations. To achieve this basic purpose, a comprehensive budget must be developed, and then approved, to insure that the objectives of planning, coordinating, evaluation, and control are obtained.

The Polk-Des Moines Taxpayers Association voted to resolutely SUPPORT the proposed BMC budget for FY2009/2010. The strong leadership from the Board of Trustees and Senior Management has convinced the Association that Broadlawns continues to head in the right direction, maximizing its people, tools, and facilities. The Association members understand that the journey is not complete. Your own data shows that there is room for improvement. We noted at our discussion on the budget that there are organizational culture changes that need to be made. The future, because of the national economic situation, is very uncertain.

Last year the Association praised BMC for its use of performance measures and the Vital Signs report. We continue to be impressed with Broadlawns' data-driven decision making and its insistence on benchmarking the actions of the entire staff to insure accountability from each and every member. The results of the patient surveys demonstrate the success BMC has achieved.

The Association was impressed with the long range contingency plans developed by staff. As we mentioned earlier, with the uncertainties facing all organizations, it is vital that one be prepared to change direction as the circumstances change. It is evident that staff has worked hard to be ready for any eventuality.

Our discussions for the past year about the expansion and remodeling of the facilities have convinced us that the administration and Trustees have been prudent in their decisions. Unfortunately, the Bond market has not been as good as once projected. It is reassuring to know that the Debt will be managed within the current Debt Levy. The phasing of the construction allows for flexibility in the project so that changes in funding will not seriously compromise the plans.

The Association wants to commend the Trustees for their support of the Administration. Their mutual trust and respect is evident as the Association's staff observes discussions that take place at meetings.

Finally, the Polk-Des Moines Taxpayers Association wants to thank the entire BMC staff for their hard work and efforts with the ongoing process of making Broadlawns a better hospital, and the positive working relationship between the Board, the administration, and the Association.

**BROADLAWNS MEDICAL CENTER  
BUDGET SUMMARY**

	ACTUAL FY05/06	ACTUAL FY06/07	% OF CHANGE	ACTUAL FY07/08	% OF CHANGE	RE-EST FY08/09	% OF CHANGE	PROPOSED FY09/10	AMOUNT CHANGE	% OF CHANGE
LEVY RATE	\$3,20236	\$3,49157	9.0%	\$2,96959	-14.9%	\$2,92408	-1.5%	\$2,80423	(\$0,11965)	-4.1%
TAXABLE PROPERTY VALUATION	\$13,991,872,178	\$14,996,069,732	7.2%	\$15,569,066,512	3.8%	\$16,411,749,813	5.4%	\$17,228,943,607	\$817,193,994	5.0%
TOTAL ASSESSED VALUATION	\$21,445,230,766	\$24,828,718,045	15.8%	\$25,929,680,753	4.4%	\$29,944,466,163	15.5%	\$30,933,437,076	\$988,970,913	3.3%
PROPERTY TAX LEVY: PROPOSED	\$43,718,435	\$47,454,996	8.5%	\$46,140,388	-2.8%	\$47,989,223	4.0%	\$48,314,015	\$324,792	0.7%
% OF REVENUE	52.8%	53.5%	1.3%	50.9%	-4.8%	51.2%	0.6%	50.5%	-0.7%	-1.4%
TOTAL UNCOLLECTIBLES	\$65,638,258	\$81,542,914	24.2%	\$81,010,975	-0.7%	\$92,598,123	14.3%	\$93,825,728	\$1,227,605	1.3%
TAX REVENUE VS. TOTAL UNCOLLECTIBLES	66.6%	58.2%	-12.6%	57.0%	-2.1%	51.8%	-9.0%	51.5%	-0.3%	-0.6%
COLLECTIBLE REVENUE AS A % OF REVENUE	20.7%	8.0%	-61.3%	10.5%	31.8%	1.1%	-89.1%	1.9%	0.7%	64.5%
TOTAL REVENUE	\$82,755,098	\$88,639,693	7.1%	\$90,564,223	2.2%	\$93,671,346	3.4%	\$95,627,836	\$1,956,490	2.1%
TOTAL EXPENDITURE	\$83,044,455	\$86,078,209	3.7%	\$90,263,101	4.9%	\$92,929,102	3.0%	\$95,189,074	\$2,259,972	2.4%
NET GAIN (LOSS)	(\$289,357)	\$2,561,484	-985.2%	\$301,122	-88.2%	\$742,244	146.5%	\$438,762	(\$303,482)	-40.9%
TOTAL ENDING BALANCE	\$13,783,388	\$16,344,872	15.7%	\$16,645,994	1.8%	\$17,388,238	4.3%	\$17,827,000	\$438,762	2.5%
BALANCE RESERVE	16.6%	19.0%	14.4%	18.4%	-2.9%	18.7%	1.5%	18.7%	0.0%	0.1%
GENERAL FUND REVENUE	\$72,302,521	\$74,403,532	2.9%	\$78,635,576	6.0%	\$81,972,276	4.0%	\$85,240,844	\$3,268,568	4.0%
GENERAL FUND EXPENDITURE	\$86,471,064	\$90,184,305	4.3%	\$95,432,314	5.8%	\$95,949,454	0.5%	\$96,181,690	\$232,236	0.2%
TRANSFERS IN	\$12,342,673	\$15,637,075	26.7%	\$13,364,005	-14.5%	\$16,479,316	23.3%	\$16,775,341	\$296,025	1.8%
NET GAIN (LOSS)	(\$1,825,870)	(\$143,698)	-92.1%	(\$3,232,733)	2149.7%	\$2,502,138	-177.4%	\$5,834,495	\$3,332,357	133.2%
GENERAL FUND BALANCE	\$7,947,638	\$8,618,728	8.4%	\$5,385,995	-37.5%	\$7,888,133	46.5%	\$13,722,628	\$5,834,495	74.0%
BALANCE RESERVE	9.2%	9.6%	4.0%	5.6%	-40.9%	8.2%	45.7%	14.3%	6.0%	73.5%
ANTICIPATORY WARRANTS	\$0	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	0.0%
CURRENT BALANCE	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%
SALARIES & BENEFITS:	\$49,936,190	\$51,021,344	2.2%	\$52,720,506	3.3%	\$55,840,194	5.9%	\$56,203,567	\$363,373	0.7%
% OF EXPENDITURE	60.1%	59.3%	-1.4%	58.4%	-1.5%	60.1%	2.9%	59.0%	-1.0%	-1.7%
PER EMPLOYEE	\$62,537	\$64,510	3.2%	\$65,868	2.1%	\$68,398	3.8%	\$68,134	(\$264)	-0.4%
EMPLOYEES (FTE):										
CLINICAL SERVICES	389.2	269.8	-30.7%	272.2	0.9%	288.6	6.0%	298.9	10.30	3.6%
MEDICAL EDUCATION SERVICES	47.9	51.9	8.4%	56.4	8.7%	59.8	6.0%	57.1	(2.70)	-4.5%
MEDICAL STAFF SERVICES	186.2	228.8	22.9%	223.2	-2.4%	233.6	4.7%	236.4	2.80	1.2%
BUSINESS SERVICES	65.1	111.2	70.8%	111.9	0.6%	120.5	7.7%	115.8	(4.70)	-3.9%
ADMINISTRATIVE SERVICES	108.0	123.3	14.2%	130.5	5.8%	130.9	0.3%	131.6	0.70	0.5%
GOVT & EXTERNAL RELATIONS	2.1	5.9	181.0%	6.2	5.1%	6.0	-3.2%	9.1	3.10	51.7%
CLOSED COST CENTERS	0.0	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0%
UNASSIGNED	0.0	0.0	0.0%	0.0	0.0%	(23.0)	0.0%	(24.0)	(1.00)	4.3%
TOTAL EMPLOYEES	798.5	790.9	-1.0%	800.4	1.2%	816.4	2.0%	824.9	8.50	1.0%
TOTAL IN-PATIENT DAYS	18,113	20,128	11.1%	19,430	-3.5%	21,063	8.4%	20,043	(1,020)	-4.8%
TOTAL OUT-PATIENT VISITS	168,512	162,331	-3.7%	165,020	1.7%	170,000	3.0%	170,775	775	0.5%