

STATEMENT TO BROADLAWNS

In February, Association members met with Broadlawns representatives to discuss the proposed budget for FY2010/2011. The Association holds the opinion that the Board of Trustees have provided good leadership and that the administration has done an outstanding job. Therefore, the Taxpayers Association voted to SUPPORT the proposed FY2010/2011 budget.

The proposed budget contains an increase of .12/\$1000. CFO Al White did a good job explaining to the Association the Tort Levy and the expenditures associated with that fund. The proposed increase takes the total levy back to its FY08/09 level. One concern we do have is with the projected *Uncollectibles*. While the percentage is not as high as it has been in the past, an upward trend puts additional stress on BMS's financial condition.

BMC has sold \$30 million in Revenue bonds to modernize and expand their facilities. This project not only addresses some critical needs, but also positions Broadlawns to be able to expand its operation and services in several key areas. There has been no increase in the tax levy associated with the construction. The investment and upgrade in IT has also worked exceeding well. BMC is in a sound financial position. Benchmarks and performance measures allow for accountability from within and from outside the organization. FTE's and costs are controlled as the changing patient counts demand. The Trustees are able to made policy decisions based on numbers. All of this reflects well on the organization's business-like manner of operation.

The three-year JACO accreditation is a tribute to the entire staff's hard work and dedication. The Taxpayers Association wants to be sure that we acknowledge everyone's efforts on reaching this milestone. The data collected by surveys attests to the quality of care provided to your patients. Broadlawns' people certainly make the difference. Our congratulations to all.

None of the many successes would be possible without the guidance of the Trustees. The Association appreciates that fact that you not only listen to our concerns, but also take the actions necessary to correct any deficiencies. You have insisted on transparency in your actions. The positive and progressive management provided by CEO Jenner and his staff is exemplary. Expectations are now very high. The Taxpayers Association is positive that the staff can continue meet and exceed them.

**BROADLAWNS MEDICAL CENTER
BUDGET SUMMARY**

	ACTUAL FY06/07	ACTUAL FY07/08	% OF CHANGE	ACTUAL FY08/09	% OF CHANGE	RE-EST FY09/10	% OF CHANGE	PROPOSED FY10/11	AMOUNT CHANGE	% OF CHANGE
LEVY RATE	\$3,49157	\$2,96959	-14.9%	\$2,91848	-1.7%	\$2,80424	-3.9%	\$2,92111	\$0,11687	4.2%
TAXABLE PROPERTY VALUATION	\$14,996,069,732	\$15,569,066,512	3.8%	\$16,411,749,613	5.4%	\$17,228,943,607	5.0%	\$18,011,713,959	\$782,770,352	4.5%
TOTAL ASSESSED VALUATION	\$24,828,718,045	\$25,929,680,753	4.4%	\$29,944,466,163	15.5%	\$30,933,437,076	3.3%	\$31,771,866,763	\$838,429,687	2.7%
PROPERTY TAX LEVY: PROPOSED	\$47,454,996	\$46,140,388	-2.8%	\$47,897,442	3.8%	\$48,314,015	0.9%	\$52,614,107	\$4,300,092	8.9%
% OF REVENUE	53.5%	50.9%	-4.8%	49.6%	-2.6%	50.5%	1.8%	51.1%	0.6%	1.2%
TOTAL UNCOLLECTIBLES	\$81,542,914	\$81,010,975	-0.7%	\$87,533,404	8.1%	\$93,825,728	7.2%	\$100,954,159	\$7,128,431	7.6%
TAX REVENUE VS. TOTAL UNCOLLECTIBLES	58.2%	57.0%	-2.1%	54.7%	-3.9%	51.5%	-5.9%	52.1%	0.6%	1.2%
COLLECTIBLE REVENUE AS A % OF REVENUE	8.0%	10.5%	31.8%	9.3%	-11.8%	1.9%	-79.7%	1.9%	0.0%	1.9%
TOTAL REVENUE	\$88,639,693	\$90,564,223	2.2%	\$96,511,395	6.6%	\$95,627,836	-0.9%	\$102,930,099	\$7,302,263	7.6%
TOTAL EXPENDITURE	\$86,078,209	\$90,263,101	4.9%	\$94,496,494	4.7%	\$95,189,074	0.7%	\$102,434,976	\$7,245,902	7.6%
NET GAIN (LOSS)	\$2,561,484	\$301,122	-88.2%	\$2,014,901	569.1%	\$438,762	-78.2%	\$495,123	\$56,361	12.8%
TOTAL ENDING BALANCE	\$16,344,872	\$16,645,994	1.8%	\$18,660,895	10.8%	\$19,099,657	2.3%	\$19,594,780	\$495,123	2.6%
BALANCE RESERVE	19.0%	18.4%	-2.9%	19.7%	7.1%	20.1%	1.6%	19.1%	-0.9%	-4.7%
GENERAL FUND REVENUE	\$74,403,532	\$78,835,576	6.0%	\$84,489,158	7.2%	\$85,358,844	1.0%	\$89,569,200	\$4,210,356	4.9%
GENERAL FUND EXPENDITURE	\$90,184,305	\$95,432,314	5.8%	\$98,163,619	2.9%	\$109,558,480	11.6%	\$111,194,733	\$1,636,253	1.5%
TRANSFERS IN	\$15,637,075	\$13,364,005	-14.5%	\$18,644,905	39.5%	\$29,268,672	57.0%	\$25,684,303	(\$3,584,369)	-12.2%
NET GAIN (LOSS)	(\$143,698)	(\$3,232,733)	2149.7%	\$4,970,444	-253.8%	\$5,069,036	2.0%	\$4,058,770	(\$1,010,266)	-19.9%
GENERAL FUND BALANCE	\$8,618,728	\$5,385,995	-37.5%	\$10,356,439	92.3%	\$15,425,475	48.9%	\$19,484,245	\$4,058,770	26.3%
BALANCE RESERVE	9.6%	5.6%	-40.9%	10.6%	86.9%	14.1%	33.5%	17.5%	3.4%	24.5%
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:	\$51,021,344	\$52,720,506	3.3%	\$44,156,980	-16.2%	\$45,022,363	2.0%	\$45,961,234	\$938,871	2.1%
% OF EXPENDITURE	59.3%	58.4%	-1.5%	46.7%	-20.0%	47.3%	1.2%	44.9%	-2.4%	-5.1%
PER EMPLOYEE	\$64,510	\$65,868	2.1%	\$55,162	-16.3%	\$54,586	-1.0%	\$56,332	\$1,746	3.2%
EMPLOYEES (FTE):										
CLINICAL SERVICES	269.8	272.2	0.9%	275.5	1.2%	298.9	8.5%	291.0	(7.90)	-2.6%
MEDICAL EDUCATION SERVICES	51.9	56.4	8.7%	55.8	-1.1%	57.1	2.3%	57.8	0.70	1.2%
MEDICAL STAFF SERVICES	228.8	223.2	-2.4%	226.9	1.7%	236.4	4.2%	233.5	(2.90)	-1.2%
BUSINESS SERVICES	111.2	111.9	0.6%	107.8	-3.7%	115.8	7.4%	110.5	(5.30)	-4.6%
ADMINISTRATIVE SERVICES	123.3	130.5	5.8%	124.9	-4.3%	129.7	3.8%	127.2	(2.50)	-1.9%
GOVT & EXTERNAL RELATIONS	5.9	6.2	5.1%	9.6	54.8%	10.9	13.5%	10.9	-	0.0%
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%	(24.0)	0.0%	(15.0)	9.00	-37.5%
TOTAL EMPLOYEES	790.9	800.4	1.2%	800.5	0.0%	824.8	3.0%	815.9	(8.90)	-1.1%
TOTAL IN-PATIENT DAYS	20,128	19,430	-3.5%	18,268	-6.0%	20,043	9.7%	20,065	22	0.1%
TOTAL OUT-PATIENT VISITS	162,331	165,020	1.7%	171,519	3.9%	170,775	-0.4%	174,025	3,250	1.9%