



ANNUAL REPORT 2019

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FRANCES MAHON
DEACONESS HOSPITAL

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NOTE FROM THE CEO

Many people in Glasgow know that I like to bicycle. It has been an on-again, off-again, on-again passion of mine since the early 1990s. My current “on-again” status was inspired by my son, Nicholas, suggesting we take a bicycle tour and my wife, Stephanie, sweetening the pot by authorizing the purchase of a new bicycle. The suggestion for the trip and the promise of a new bike motivated me to get back into shape after a long break from cycling and other intense work-out regimens. Each of the last four years, my son, brother, and I have taken great trips to different parts of the western United States, with one including an excursion into Canada. These trips are one of the highlights of each year and have been my motivation to keep going.

Although bicycle travel is much easier than many people think, its challenges have taught me many lessons. Some of those lessons have application to other areas of work and leisure life. Our first trip down the Oregon coast involved 80-mile days on the first and last day of a six-day ride. Between those bookend days, we faced many challenges as we dealt with traffic safety concerns, weather, including rain and headwinds, and many leg-burning, lung-bursting climbs. On one particular day, while beginning a fairly long climb on an especially steep grade, my son wanted to deviate from our main route for a side excursion to the seashore where we could see one of the many lighthouses that dot the Oregon coast. Although I would have preferred moving on to finish the current challenge, I acquiesced to the deviation. On the way to the coast and lighthouse, we experienced a fairly significant descent which was a temporary break from the challenge of climbing, but would add to that challenge on the return trip. He and I still debate as to whether or not the lighthouse was majestic enough to justify the deviation, but the decision was made and we couldn't second-guess ourselves. As expected, the return to the main route and the finish of the original climb was not easy - made harder by the decision to deviate from the original route. Yet we also saw and experienced terrain and views we wouldn't have if we had stuck to the original plan.

At this point you might be asking yourself “what does this have to do with the hospital's operation and why am I reading about a bicycle trip?” As with many other non-career experiences, I find much correlation and symbolism between non-professional experiences and their application to experiences of professional life.

During the course of the last couple of years, the Frances Mahon Deaconess Hospital family has faced many challenges. Of particular significance, these have included turn-over and recruitment of provider and non-provider staff, implementation of a new electronic medical record system, an extensive remodeling project, many external demands driven by increasing regulation and external expectations, and adaptation to new reimbursement models that intend to reward value instead of volume in our service delivery. These challenges have not been easy and we have experienced the

“leg-burning, lung-bursting” equivalents that have taxed the physical and emotional reserves of our team. Yet, we have kept moving forward, taking one pedal stroke at a time and pushing on. During those times we have had to make deviations from the planned course that have added to the challenges but have also added to the rewards the end results will bring. We have had our small victories similar to cresting the intermediate plateaus on those long ascents only to face the increasing grades and new challenges that face us on our way to the summit. We have pushed and encouraged each other when team members have faced frustration and exhaustion on the ride up. In the end, we know that we will experience the pride and rewards that come from meeting the challenges that, together, we have faced.

Over the course of the past 22+ years, I have had the pleasure of being a part of an incredible team of people. I am proud of the accomplishments that we, collectively, have achieved. That pride is enhanced when I consider the incredible challenges we have endured together. The challenges ahead will not subside and likely the “hills” we will face in the future will be more steep than those we have summited in the past. Like the bicycle tours with my son and brother, on these professional “tours”, there are no better people in whom I would place my trust to successfully reach our destination of making FMDH the best place to work, the best place to practice medicine, and the best place to receive care in rural America.

Randy Holom
FMDH Chief Executive Officer



FINANCIAL SUMMARY

Balance Sheet (Years ended June 30,)		
Assets	2019	2018
Total Current Assets	15,132,376	14,615,675
Plant, Property and Equipment	23,857,405	19,326,664
Long Term Investments	16,649,673	19,206,385
Assets Whose Use is Limited	582,366	667,593
Other Assets	9,216,082	9,108,813
<i>Total Assets</i>	65,437,902	62,925,130
Liabilities and Net Assets		
Total Current Liabilities	5,312,794	3,949,833
Long Term Liabilities	764,935	813,210
Total Liabilities	6,077,729	4,763,043
Net Assets	59,360,173	58,162,087
<i>Total Liabilities and Net Assets</i>	65,437,902	62,925,130
Statement of Operations (Years ended June 30,)		
	2019	2018
Total Operating Revenues	38,814,489	40,239,378
Total Operating Expenses	38,640,206	36,656,909
Gain From Operations	174,283	3,582,469
<i>Increase in Unrestricted Net Assets</i>	1,198,086	5,242,708

MASTER RENOVATION PROJECT

Late in 2017 FMDH began construction on a Master Renovation Project affecting multiple departments within the organization. Renovations began in the basement with construction of a conference room, Information Services offices, Support Services offices, rest rooms and storage areas.

In 2018 renovations included the following departments and functions: Physical Therapy, Cardiac/Pulmonary Rehabilitation, Health Information Management, Patient Accounts, Telemedicine and the mailroom. General Surgery, Orthopedic Surgery and OB/GYN were then moved into a common location now referred to as Glasgow Clinic Specialty Care. Early in 2019 a small addition was completed to provide offices for the Specialty Care Clinic.

Also in 2019, these departments and areas were renovated: Emergency Department, Laboratory, Inpatient Pharmacy, Inpatient Nurses' Station, Surgery Waiting Room and Emergency Department Waiting Room. In an effort to provide convenience to patients, a combined reception and waiting area for Laboratory and Radiology was created. Space was also renovated to provide for ultrasound rooms within the radiology department, an inpatient medication room, nursing offices and a storage room. Early in 2020 the Retail Pharmacy and Gift Shop were renovated and an office was completed within the Radiology Department for the Director of Radiology. Currently, work continues in Glasgow Clinic Primary Care to create more offices and exam rooms in order to accommodate full staffing of providers.

Much of the interior renovation was pursued to provide critical departments adequate space based on modern standards. The other primary goal of the project was to reduce the distance patients are required to travel within the facility as they receive services. Consequently, the services of the Glasgow Clinic Primary Care, Glasgow Clinic Specialty Care, Laboratory, Radiology and 5th Avenue Pharmacy are all within a few steps of the main entrance.

As 2020 continues, work will move outside of the facility with improvements to the loading dock and south wing parking lot where parking will be expanded to accommodate the increased usage of the south wing entrance by patients utilizing the services of Physical Therapy and Cardiac/Pulmonary Rehabilitation. An entrance canopy is planned for the main entrance to the facility to allow protection from the elements during drop off and pick up of patients.

FMDH FOUNDATION

2019 proved to be another humbling year at the FMDH Foundation. In June we gifted \$25,000 in medical scholarships to the following students:

*Kiauna Barstad	*Logan Gunderson	*Morgan Guttenberg
*Andrea Hansen	*Erika Hanson	*Kerry Hoffman
*Jesi Kennedy	*Madison Knodel	*Chloe Koessl
*Sophia Koessl	*Khloe Krumwiede	*Karissa Liebelt
*Brinlie Nielsen	*Kyle Nielsen	*Michelle Ozark
*Katie Thornburg	*Nicole Williams	*Alyssa Hoffman - Worcester

Since 1986, we have given \$275,000 in scholarships. With the unwavering support of our donors, the scholarships program will continue to help those financially who dream of a medical degree.

Along with supporting our students, the Foundation also gifted FMDH with full body mannequins for training, Simply Go Unit for Home Oxygen, a new Zoll Defibrillator for EMS, assistance for Valley View residents, and a Game Ready machine for students at Glasgow High School.

This year we raised over \$20,000 during our annual Golf Tournament, and all proceeds went to the General Endowment. Our annual Tree of Life event raised close to \$10,000. We were also able to give a little over \$3,000 to our four ambulance services through the Markle's Ambulance Fund.

As you can see, the Foundation had another great year and continues to help your loved ones. Thank you all for supporting the Foundation and its mission to provide financial support to FMDH and other medically needed projects in Valley County, ensuring that the medical services provided are of the highest quality. Needless to say, none of this would be possible without the support of all of you and so many others over the years.

2019 Donor Highlights:



2019 Golf Champions : Team Bell

Dr. Gordon Bell, Amy Bell, Cami Kalinski, and Jeremiah Hopstad

2019 Annual Dinner : “Hidden Gems”
Co-sponsored by Baker’s Jewelry



Harvey & Karen Wall with Kelli & Dave Burns: winners of the diamond ring raffle designed and created by Hannah & Jory Wall

About FMDH Foundation

The FMDH Foundation is an independent, non-profit charitable organization that was incorporated in 1982. It is governed by a dedicated board of directors while its day-to-day administration is managed by the Foundation Director. The Foundation is an integral part of the Frances Mahon Deaconess Hospital and the community, helping to provide the latest technology, medical equipment, and training for FMDH, better medical equipment for community organizations, and scholarships to Valley County graduates studying in a medical field. At some point, all of us will come into contact with an item the FMDH Foundation was able to purchase because of the wonderful support of our donors.

Trusts and Endowments

When you give to support FMDH Foundation trusts or endowments, your gift is preserved in perpetuity ensuring that it will thrive and continue to grow, impacting the lives of future generations. Your original gift is invested and only the interest and dividends are used to support the Foundation’s giving. These choices include:

General Endowment that allows the Foundation to purchase much-needed medical equipment for FMDH and other community organizations. (All unspecified

donations are deposited into the General Endowment.)

Markle's Ambulance Trust helps support the ambulance services in Glasgow and throughout Valley County.

The **Scholarship Fund** ensures that funds are given to second-year college students studying in a medical field who have graduated from a Valley County high school.

The **Mammography Fund** was started in 2010 when the Foundation pledged to help the Frances Mahon Deaconess Hospital raise the funds necessary to purchase a Hologic digital tomography machine. This new technology allows the FMDH Radiologist to view breasts in a 3-D image, thereby allowing improved identification of potentially cancerous areas. We reached our goal at the end of 2012 and the digital machine is now serving FMDH patients. We will continue to have this fund to help with future expenses and make sure our patients receive top of the line care.

True Community GEMS:



Though we had plenty of gains this year, 2019, didn't come without losses. The Foundation, and community, lost a beloved member this year when we lost Margaret "Peggy" Pattison. Even after they were gone, they found a way to keep giving by donating over \$65,000 through an estate gift. Supporting the Foundation was not a new idea to the family, as Bill and Peggy were avid supporters since the inception in 1982. Bill was a driving force in understanding and seeing the need for the FMDH Foundation for Valley County, and stood by his vision year

after year. Their gift will go into the Endowment account, where only the dividends and interest will be spent to further provide Valley County with the best medical equipment possible.

You can find Bill & Peggy's building on the *Wall of Honor*, located outside the Glasgow Primary Care Clinic. They always found a way to **Give Even More**. We would not be where we are today without their diligent and immense support over the decades.

To learn more about the Foundation please contact:

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Visit us online at www.fmdh.org and click on FMDH Foundation



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Stan Ozark- Vice President

Annie Capdeville - Treasurer

Derek Beadle

Michelle Bigelbach

Bronwin Hanshew

Somer Hoerster

Becky Johnson

Zak Peterson

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Derek Beadle - Vice President

Annie Capdeville - Treasurer

Michelle Bigelbach

Michelle Eliason

Bronwin Hanshew

Paula Hicks

Zak Peterson