



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form 990

## Return of Organization Exempt From Income Tax

2008

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

► The organization may have to use a copy of this return to satisfy state reporting requirements

## A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009

<input type="checkbox"/> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>Please use IRS label or print or type. See Specific Instructions.</b>	<b>C Name of organization</b> Sid Peterson Memorial Hospital		<b>D Employer identification number</b> 74-2557820	
		<b>Doing Business As</b> Peterson Regional Medical Center		<b>E Telephone number</b> (830) 258-7632	
		<b>Number and street (or P O box if mail is not delivered to street address)</b> 551 Hill Country Drive		<b>Room/suite</b>	
		<b>City or town, state or country, and ZIP + 4</b> Kerrville, TX 78028			
<b>F Name and address of Principal Officer</b> Robert H Walther 551 Hill Country Dr Kerrville, TX 78028		<b>H(a) Is this a group return for affiliates?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>I Tax-exempt status</b> <input checked="" type="checkbox"/> 501(c) ( 3 ) ► (Insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>H(b) Are all affiliates included?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No (If "No," attach a list See instructions )			
<b>J Web site:</b> ► N/A		<b>H(c) Group Exemption Number</b> ►			
<b>K Type of organization</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> trust <input type="checkbox"/> association <input type="checkbox"/> other ►		<b>L Year of Formation</b> 1990		<b>M State of legal domicile</b> TX	

## Part I Summary

<b>1</b> Briefly describe the organization's mission or most significant activities The hospital's mission is to lead the Hill Country's medical community in delivering exceptional, compassionate, patient-centered health care	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets	
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a) . . . . . <b>3</b> 11	
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) . . . . . <b>4</b> 10		
<b>5</b> Total number of employees (Part V, line 2a) . . . . . <b>5</b> 1,116		
<b>6</b> Total number of volunteers (estimate if necessary) . . . . . <b>6</b> 330		
<b>7a</b> Total gross unrelated business revenue from Part VIII, line 12, column (C) . . . . . <b>7a</b> 0		
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . . .		

<b>8</b> Contributions and grants (Part VIII, line 1h) . . . . . <b>6,542,045</b> <b>9</b> Program service revenue (Part VIII, line 2g) . . . . . <b>84,659,123</b> <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . . <b>2,519,868</b> <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) . . . . . <b>1,104,619</b> <b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . . <b>94,825,655</b>	<b>Prior Year</b>	
	<b>Current Year</b>	
	<b>11,159,647</b>	
	<b>85,099,511</b>	
	<b>-4,303,286</b>	
	<b>914,112</b>	

<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) <b>b</b> (Total fundraising expenses, Part IX, column (D), line 25 <b>213,269</b> ) <b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) <b>18</b> Total expenses—add lines 13-17 (must equal Part IX, line 25, column (A)) <b>19</b> Revenue less expenses Subtract line 18 from line 12	<b>Prior Year</b>	
	<b>Current Year</b>	
	<b>58,396</b>	
	<b>0</b>	
	<b>40,473,887</b>	
	<b>40,587,715</b>	
	<b>0</b>	
	<b>46,477,375</b>	
	<b>48,592,085</b>	
	<b>86,951,262</b>	

<b>20</b> Total assets (Part X, line 16) <b>21</b> Total liabilities (Part X, line 26) <b>22</b> Net assets or fund balances Subtract line 21 from line 20	<b>Beginning of Year</b>	
	<b>End of Year</b>	
	<b>202,486,932</b>	
	<b>190,071,026</b>	
<b>93,890,219</b>		
<b>83,366,580</b>		
<b>108,596,713</b>		
<b>106,704,446</b>		

## Part II Signature Block

<b>Please Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge		
	<b>*****</b>		
	Signature of officer <b>2010-05-15</b> Robert H Walther CFO Date		
Type or print name and title			

<b>Paid Preparer's Use Only</b>	Preparer's signature <b>M Paige Gerich</b>	Date	Check if self-employed <input type="checkbox"/>	Preparer's PTIN (See Gen Inst )
	Firm's name (or yours if self-employed), address, and ZIP + 4 <b>BKD LLP</b> <b>2800 Post Oak Blvd Ste 3200</b> <b>HOUSTON, TX 77056</b>			<b>EIN</b> <input type="checkbox"/>
				Phone no <b>(713) 499-4600</b>

May the IRS discuss this return with the preparer shown above? (See instructions) . . . . .  Yes  No

**Part III Statement of Program Service Accomplishments (See the instructions.)****1** Briefly describe the organization's mission

The hospital's mission is to lead the Hill Country's medical community in delivering exceptional, compassionate, patient-centered health care

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O

**3** Did the organization cease conducting or make significant changes in how it conducts any program services?  Yes  No

If "Yes," describe these changes on Schedule O

**4** Describe the exempt purpose achievements for each of the organization's three largest program services by expenses  
Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

**4a** (Code) (Expenses \$ 73,508,728 including grants of \$ 58,396 ) (Revenue \$ 80,793,000 )  
Peterson Regional Medical Center is a private, not-for-profit community hospital in Kerrville, Texas. Kerrville is located in Kerr County, approximately 60 miles northwest of San Antonio and 80 miles south west of Austin. Peterson Regional Medical Center serves the communities and residents in the following counties Kerr, Bandera, Gillespie, Kimble, Edwards and Real. Peterson Regional Medical Center anchors a 35-acre campus including a 124 bed acute care hospital providing services including 24/7 emergency department, women's services (including maternal/newborn), acute inpatient rehabilitation, orthopedics, general surgery and diagnostic imaging. On the same campus is an Ambulatory Care Center providing outpatient rehab services, outpatient surgery, outpatient diagnostic imaging and hyperbaric wound care. Peterson Hospice Service and Peterson Home Care Services are also members of the Peterson Regional family of services but located off-site.

**4b** (Code) (Expenses \$ 1,082,546 including grants of \$ ) (Revenue \$ 1,327,852 )  
Peterson Home Care - Peterson Home Care provides a comprehensive team of healthcare professionals to the residents of the Hill Country, specifically Kerr, Gillespie and Bandera counties. Peterson Home Care is a not-for-profit organization providing a comprehensive range of professional services including Nursing care, physical & speech therapy, ostomy and wound care, IV antibiotics, chemotherapy, aide services and Medication Management. All services are coordinated through an interdisciplinary approach to patient care and established under a plan of treatment of a physician. Diagnostic and laboratory services, as well as medical and surgical supplies are also provided in conjunction with skilled care

**4c** (Code) (Expenses \$ 1,986,178 including grants of \$ ) (Revenue \$ 2,978,659 )  
PETERSON HOSPICE - Sid Peterson Memorial Hospital (now dba Peterson Regional Medical Center (PRMC)) began operating a hospice program after the only not for profit Kerrville hospice closed its doors due consistent financial losses. The not for profit group that then tried to make a go of a hospice decided to close down operations after a couple of years. They contacted the hospital to see if we wanted to operate a hospice. Despite the bleak financial projection, PRMC started hospice operations several years ago, the Board of Directors wanted to ensure that a not for profit hospice was available in Kerrville. Peterson Hospice is a department of PRMC and operates as one of the hospitals many outreaches for the Hill Country communities it serves. Peterson Hospice is the only non-profit hospice in the Hill Country with a mission that no one will be denied hospice care because of an inability to pay. In addition to providing hospice care, Peterson Hospice also provides the following unfunded community services: 1. Navigating the Waters of Grief ~ a six week grief support group for adults. This program is facilitated twice a year by a grief expert who is a licensed medical social worker. Navigating the Waters of Grief works closely with Hill Country clergy and the local communities to serve hospice families as well as others facing the loss of a loved one or friend. 2. Bridging the Gap ~ a six week grief support group for children ages kinder through 12th grade. This program gives them the tools they need to work through the grieving process. The parents attend as well to open communication and feelings to help the child deal with grief at their age appropriate level. BTG works with all Hill Country schools and their counselors. The local community serves as facilitators and volunteers for this excellent program. 3. Camp Rays of Hope ~ is a statewide program which is a weekend retreat for grieving children that incorporates the parents as well. The children learn new ways to cope with their loss, and to meet others with similar circumstances to remember special times, to make new friends, and to have fun. 4. Floral program ~ is a volunteer driven program that delivers flowers to our patients. The local florists in the area donate the flowers and volunteers arrange and deliver them. Volunteers also support families and patients with their visits. 5. Pathways ~ this volunteer outreach offers home based social and emotional support to clients with an illness that has a limited life expectancy but is not yet hospice appropriate. Volunteers help reduce the isolation and vulnerability that clients and families experience during a difficult time. Education is available through PRMC resources regarding disease processes, coping strategies, advance directives, and practical and spiritual issues. This supports helps clients define their quality of life. 6. Community service program ~ offering opportunities for citizens to fulfill court obligations in a beneficial manner.

**4d** Other program services (Describe in Schedule O)  
(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses \$ 76,577,452 Must equal Part IX, Line 25, column (B).

**Part IV Checklist of Required Schedules**

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII

13 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the U.S.?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III

17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I

18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II

22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III

23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J

24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25

b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?

c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?

d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?

25a Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I

b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I

26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II

27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III

	Yes	No
1	Yes	
2	Yes	
3		No
4	Yes	
5		
6		No
7		No
8		No
9		No
10	Yes	
11	Yes	
12		No
13		No
14a		No
14b		No
15		No
16		No
17		No
18		No
19		No
20	Yes	
21	Yes	
22	Yes	
23	Yes	
24a	Yes	
24b	Yes	
24c		No
24d		No
25a		No
25b		No
26		No
27		No

**Part IV Checklist of Required Schedules (Continued)**

**28** During the tax year, did any person who is a current or former officer, director, trustee, or key employee

- a** Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV
- b** Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV
- c** Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV

**29** Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M

**30** Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M

**31** Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I

**32** Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II

**33** Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I

**34** Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1

**35** Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2

**36** 501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2

**37** Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI

	Yes	No
<b>28a</b>	Yes	
<b>28b</b>	Yes	
<b>28c</b>	Yes	
<b>29</b>		No
<b>30</b>		No
<b>31</b>		No
<b>32</b>		No
<b>33</b>		No
<b>34</b>	Yes	
<b>35</b>	Yes	
<b>36</b>		No
<b>37</b>		No

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	63
<b>1b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
<b>1c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
<b>2a</b>	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	1,116
<b>2b</b>	If at least one is reported in 2a, did the organization file all required federal employment tax returns? <i>Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b	Yes
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	No
<b>3b</b>	If "Yes," has it filed a Form 990-T for this year? <i>If "No," provide an explanation in Schedule O</i>	3b	
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No
<b>4b</b>	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</b> .	4b	
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
<b>5b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
<b>5c</b>	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c	
<b>6a</b>	Did the organization solicit any contributions that were not tax deductible?	6a	No
<b>6b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
<b>7</b>	<i>Organizations that may receive deductible contributions under section 170(c).</i>	7a	No
<b>7a</b>	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a	
<b>7b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
<b>7c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	No
<b>7d</b>	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
<b>7e</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	No
<b>7f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	No
<b>7g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
<b>7h</b>	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
<b>8</b>	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</i> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	No
<b>9</b>	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</i>	9a	
<b>9a</b>	Did the organization make any taxable distributions under section 4966?	9a	No
<b>9b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	No
<b>10</b>	<i>Section 501(c)(7) organizations.</i> Enter	10a	
<b>10a</b>	Initiation fees and capital contributions included on Part VIII, line 12	10a	
<b>10b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
<b>11</b>	<i>Section 501(c)(12) organizations.</i> Enter	11a	
<b>11a</b>	Gross income from members or shareholders	11a	
<b>11b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	
<b>12a</b>	<i>Section 4947(a)(1) non-exempt charitable trusts.</i> Is the organization filing Form 990 in lieu of Form 1041?	12a	
<b>12b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

**Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**
**Section A. Governing Body and Management**

	Yes	No
For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.		
<b>1a</b> Enter the number of voting members of the governing body . . .	<b>1a</b>	11
<b>b</b> Enter the number of voting members that are independent . . .	<b>1b</b>	10
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	<b>2</b>	No
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	<b>3</b>	No
<b>4</b> Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . . . .	<b>4</b>	Yes
<b>5</b> Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .	<b>5</b>	No
<b>6</b> Does the organization have members or stockholders? . . . . .	<b>6</b>	No
<b>7a</b> Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	<b>7a</b>	No
<b>b</b> Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	<b>7b</b>	No
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
<b>a</b> the governing body? . . . . .	<b>8a</b>	Yes
<b>b</b> each committee with authority to act on behalf of the governing body? . . . . .	<b>8b</b>	Yes
<b>9a</b> Does the organization have local chapters, branches, or affiliates? . . . . .	<b>9a</b>	No
<b>b</b> If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .	<b>9b</b>	
<b>10</b> Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990 . . . . .	<b>10</b>	Yes
<b>11</b> Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	<b>11</b>	No

**Section B. Policies**

	Yes	No
<b>12a</b> Does the organization have a written conflict of interest policy? If "No", go to line 13 . . . . .	<b>12a</b>	Yes
<b>b</b> Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	<b>12b</b>	No
<b>c</b> Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	<b>12c</b>	Yes
<b>13</b> Does the organization have a written whistleblower policy? . . . . .	<b>13</b>	Yes
<b>14</b> Does the organization have a written document retention and destruction policy? . . . . .	<b>14</b>	Yes
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
<b>a</b> The organization's CEO, Executive Director, or top management official? . . . . .	<b>15a</b>	Yes
<b>b</b> Other officers or key employees of the organization? . . . . .	<b>15b</b>	No
Describe the process in Schedule O		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	<b>16a</b>	No
<b>b</b> If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	<b>16b</b>	

**Section C. Disclosure**

**17** List the States with which a copy of this Form 990 is required to be filed \_\_\_\_\_

**18** Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply  
 own website  another's website  upon request

**19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization  
 Sid Peterson Memorial Hospital  
 551 Hill Country Drive  
 Kerrville, TX 78028  
 (830) 896-4200

## **Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

**Section A Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

\* List all of the organization's **current** officers, directors, trustees (whether individuals or organizations) and key employees regardless of amount of compensation, and current key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid

\* List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

\* List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

\* List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if the organization did not compensate any officer, director, trustee or key employee.

**Part VII** **Continued**

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ►21

	<b>Yes</b>	<b>No</b>
<b>3</b> Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	<b>3</b>	No
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	<b>4</b>	Yes
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	<b>5</b>	No

## **Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A)	Name and business address	(B)	Description of services	(C)	Compensation
Robins and Morton	Huser Construction		Construction		3,554,559
Hill Country	Inpatient Accoc PA		Hospitalist Program		1,032,222
Anesthesia	Associates of Kerrville		Anesthesia Services		505,600
Crothall	Clinical Equipment Service		Equipment Maintenanc		484,229
SODEXHO	INC AFFILIATES		FOOD SERVICES		477,724
<b>2</b>	Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation				27

Part  
VIII

## Statement of Revenue

		(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Contributions, gifts, grants and other similar amounts	<b>1a</b> Federated campaigns . . . <b>1a</b>				
	<b>b</b> Membership dues . . . . <b>1b</b>				
	<b>c</b> Fundraising events . . . . <b>1c</b>				
	<b>d</b> Related organizations . . . <b>1d</b>	10,326,119			
	<b>e</b> Government grants (contributions) <b>1e</b>				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above <b>1f</b>	833,528			
	<b>g</b> Noncash contributions included in lines 1a-1f \$ <b>1f</b>				
	<b>h</b> <b>Total (Add lines 1a-1f)</b> . . . . . <b>1f</b>	11,159,647			
Program Service Revenue	<b>2a</b> Net Patient Service Revenue	Business Code 900,099	85,099,511	85,099,511	
	<b>b</b>				
	<b>c</b>				
	<b>d</b>				
	<b>e</b>				
	<b>f</b> All other program service revenue				
	<b>g</b> <b>Total. Add lines 2a-2f</b> . . . . . ► \$ 85,099,511				
	<b>3</b> Investment income (including dividends, interest other similar amounts) . . . . . <b>3</b>		1,523,935		1,523,935
<b>4</b> Income from investment of tax-exempt bond proceeds . . . . . <b>4</b>		0			
<b>5</b> Royalties . . . . . <b>5</b>		0			
<b>6a</b> Gross Rents	(i) Real 273,509				
<b>b</b> Less rental expenses	319,029				
<b>c</b> Rental income or (loss)	-45,520				
<b>d</b> Net rental income or (loss) . . . . . <b>5</b>		-45,520	-45,520		
<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities 16,843,362	1,906,547			
<b>b</b> Less cost or other basis and sales expenses	16,132,908	8,444,222			
<b>c</b> Gain or (loss)	710,454	-6,537,675			
<b>d</b> Net gain or (loss) . . . . . <b>5</b>		-5,827,221	-5,827,221		
<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000 . . . . . <b>a</b>					
<b>b</b> Less direct expenses . . . <b>b</b>					
<b>c</b> Net income or (loss) from fundraising events . . . . . <b>5</b>		0			
<b>9a</b> Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000					
<b>a</b>					
<b>b</b> Less direct expenses . . . <b>b</b>					
<b>c</b> Net income or (loss) from gaming activities . . . . . <b>5</b>		0			
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . . <b>a</b>					
<b>b</b> Less cost of goods sold . . . <b>b</b>					
<b>c</b> Net income or (loss) from sales of inventory . . . . . <b>5</b>		0			
Miscellaneous Revenue	Business Code				
<b>11a</b> Audit Income	900,099	466,712	466,712		
<b>b</b> Thrift Shop Revenue	453,310	367,492	367,492		
<b>c</b> Miscellaneous	900,099	125,428	125,428		
<b>d</b> All other revenue _____					
<b>e</b> <b>Total. Add lines 11a-11d</b> . . . . . \$ 959,632					
<b>12</b> <b>Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . . <b>5</b>	92,869,984	86,013,623		-4,303,286	

**Part IX Statement of Functional Expenses****Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A) Total expenses</b>	<b>(B) Program service expenses</b>	<b>(C) Management and general expenses</b>	<b>(D) Fundraising expenses</b>
<b>1</b> Grants and other assistance to governments and organizations in the U S See Part IV, line 21	8,250	8,250		
<b>2</b> Grants and other assistance to individuals in the U S See Part IV, line 22	50,146	50,146		
<b>3</b> Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16	0			
<b>4</b> Benefits paid to or for members	0			
<b>5</b> Compensation of current officers, directors, trustees, and key employees . . . . .	533,333	533,333		
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0			
<b>7</b> Other salaries and wages	32,756,531	29,247,835		149,822
<b>8</b> Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	914,615		914,615	
<b>9</b> Other employee benefits . . . . .	3,984,567		3,984,567	
<b>10</b> Payroll taxes . . . . .	2,398,669	2,191,246	196,048	11,375
<b>11</b> Fees for services (non-employees)				
<b>a</b> Management . . . . .	253,358	225,858	27,500	
<b>b</b> Legal . . . . .	20,486		20,486	
<b>c</b> Accounting . . . . .	115,652		115,652	
<b>d</b> Lobbying . . . . .	0			
<b>e</b> Professional fundraising See Part IV, line 17 . . .	0			
<b>f</b> Investment management fees . . . . .	112,782	112,782		
<b>g</b> Other . . . . .	5,172,211	3,824,088	1,346,177	1,946
<b>12</b> Advertising and promotion . . . . .	240,265	221,715	7,585	10,965
<b>13</b> Office expenses . . . . .	645,878	411,854	221,204	12,820
<b>14</b> Information technology . . . . .	512		512	
<b>15</b> Royalties . . . . .	0			
<b>16</b> Occupancy . . . . .	1,800,343	1,620,633	179,710	
<b>17</b> Travel . . . . .	153,122	151,688		1,434
<b>18</b> Payments of travel or entertainment expenses for any Federal, state or local public officials . . . . .	0			
<b>19</b> Conferences, conventions and meetings . . . . .	131,778	107,426	24,265	87
<b>20</b> Interest . . . . .	4,161,779	4,161,779		
<b>21</b> Payments to affiliates . . . . .	0			
<b>22</b> Depreciation, depletion, and amortization . . . . .	8,424,770	7,329,550	1,095,220	
<b>23</b> Insurance . . . . .	67,294	58,546	8,748	
<b>24</b> Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below )				
<b>a</b> Bad Debt Expense	5,634,792	5,634,792		
<b>b</b> Medical Supplies	15,634,289	15,632,338	1,951	
<b>c</b> Equipment Repair/Maintenance	1,794,349	1,739,665	54,684	
<b>d</b> Employee Expenses	1,304,366	1,304,366		
<b>e</b> Recruiting	703,221	295,848	407,373	
<b>f</b> All other expenses	2,220,838	1,713,714	482,304	24,820
<b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24f	89,238,196	76,577,452	12,447,475	213,269
<b>26</b> <b>Joint Costs.</b> Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**Part X Balance Sheet**

		(A)		(B)
		Beginning of year		End of year
1	Cash—non-interest-bearing	1,300	1	875
2	Savings and temporary cash investments	27,086,118	2	28,744,108
3	Pledges and grants receivable, net		3	
4	Accounts receivable, net	9,578,437	4	8,777,680
5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5	
6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6	
7	Notes and loans receivable, net		7	
8	Inventories for sale or use	2,299,819	8	2,664,913
9	Prepaid expenses and deferred charges	440,724	9	566,517
10a	Land, buildings, and equipment <i>cost basis</i>			
b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>	10a	174,720,501	
		10b	73,345,371	10c
11	Investments—publicly traded securities	102,691,546	11	101,375,130
12	Investments—other securities <i>See Part IV, line 11 Complete Part VII of Schedule D</i>		12	
13	Investments—program-related <i>See Part IV, line 11 Complete Part VIII of Schedule D</i>		13	
14	Intangible assets		14	
15	Other assets <i>See Part IV, line 11 Complete Part IX of Schedule D</i>	15,500,000		3,167,257
16	<b>Total assets.</b> <i>Add lines 1 through 15 (must equal line 34)</i>	202,486,932	16	190,071,026
17	Accounts payable and accrued expenses	9,928,840	17	5,997,201
18	Grants payable		18	
19	Deferred revenue		19	
20	Tax-exempt bond liabilities	82,134,757	20	74,076,816
21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21	
22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22	
23	Secured mortgages and notes payable to unrelated third parties		23	1,445,000
24	Unsecured notes and loans payable		24	
25	Other liabilities <i>Complete Part X of Schedule D</i>	1,826,622	25	1,847,563
26	<b>Total liabilities.</b> <i>Add lines 17 through 25</i>	93,890,219	26	83,366,580
<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
27	Unrestricted net assets	103,448,270	27	106,483,810
28	Temporarily restricted net assets	5,148,443	28	220,636
29	Permanently restricted net assets		29	
<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
30	Capital stock or trust principal, or current funds		30	
31	Paid-in or capital surplus, or land, building or equipment fund		31	
32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	108,596,713	33	106,704,446
34	Total liabilities and net assets/fund balances	202,486,932	34	190,071,026

**Part XI Financial Statements and Reporting**

		Yes	No
1	Accounting method used to prepare the Form 990	<input type="checkbox"/> cash <input checked="" type="checkbox"/> accrual <input type="checkbox"/> other	
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		2a
b	Were the organization's financial statements audited by an independent accountant?		2b
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?		2c
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		3a
b	If "Yes," did the organization undergo the required audit or audits?		3b

2008

Open to Public  
Inspection**SCHEDULE A**  
(Form 990 or 990EZ)**Public Charity Status and Public Support**To be completed by all section 501(c)(3) organizations and section 4947(a)(1)  
nonexempt charitable trusts.

Attach to Form 990 or Form 990-EZ. See separate instructions.

Department of the Treasury  
Internal Revenue ServiceName of the organization  
Sid Peterson Memorial Hospital

Employer identification number

74-2557820

**Part I Reason for Public Charity Status** (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only one organization)

1  A church, convention of churches, or association of churches described in **Section 170(b)(1)(A)(i)**.

2  A school described in **Section 170(b)(1)(A)(ii)**. (Attach Schedule E )

3  A hospital or a cooperative hospital service organization described in **Section 170(b)(1)(A)(iii)**. (Attach Schedule H )

4  A medical research organization operated in conjunction with a hospital described in **Section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state

5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **Section 170(b)(1)(A)(iv)**. (Complete Part II )

6  A federal, state, or local government or governmental unit described in **Section 170(b)(1)(A)(v)**.

7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **Section 170(b)(1)(A)(vi)** (Complete Part II )

8  A community trust described in **Section 170(b)(1)(A)(vi)** (Complete Part II )

9  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **Section 509(a)(2)**. (Complete Part III )

10  An organization organized and operated exclusively to test for public safety See **Section 509(a)(4)**. (See instructions )

11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **Section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h

e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f  If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box

g  Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii) a family member of a person described in (i) above?

(iii) a 35% controlled entity of a person described in (i) or (ii) above?

h  Provide the following information about the organizations the organization supports

	Yes	No
11g(i)		No
11g(ii)		No
11g(iii)		No

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section <b>(See Instructions)</b> )	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
<b>Total</b>									

**Part II Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)
**Public Support**

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add line 1-3						
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						
<b>6 Public Support</b> subtract line 5 from line 4						

**Total Support**

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>11 Total Support</b> (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions )					<b>12</b>	

**13 First Five Years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here**

**Computation of Public Support Percentage**

14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	<b>14</b>	
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	<b>15</b>	
<b>16a 33 1/3% Test - 2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization		
<b>b 33 1/3% Test - 2007.</b> If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization		
<b>17a 10% Facts and Circumstances Test - 2008.</b> If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and <b>stop here</b> . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization		
<b>b 10% Facts and Circumstances Test - 2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and <b>stop here</b> . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization		
<b>18 Private Foundation.</b> If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		

**Part III Support Schedule for Organizations Described in IRC 509(a)(2)**  
 (Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total</b> Add lines 1-5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
<b>c</b> Total of lines 7a and 7b						
<b>8 Public Support</b> (Subtract line 7c from line 6)						

**Total Support**

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total Support</b> (Add lines 9, 10c, 11 and 12)						
<b>14 First Five Years</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and <b>stop here</b>						►

**Computation of Public Support Percentage**

<b>15</b> Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	<b>15</b>
<b>16</b> Public Support Percentage for 2007 Schedule A, Part IV-A, line 27g	<b>16</b>

**Computation of Investment Income Percentage**

<b>17</b> Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	<b>17</b>
<b>18</b> Investment Income Percentage from 2007 Schedule A, Part IV-A, line 27h	<b>18</b>
<b>19a</b> <b>33 1/3% Tests - 2008.</b> If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization	►
<b>b</b> <b>33 1/3% Tests - 2007.</b> If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization	►
<b>20</b> <b>Private Foundation</b> If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions	►





**Part II-A To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)).** (See the instructions for Schedule C for details.)

<b>A</b> Check <input type="checkbox"/> if the filing organization belongs to an affiliated group	<b>B</b> Check <input type="checkbox"/> if the filing organization checked box A and "limited control" provisions apply		
<b>Limits on Lobbying Expenditures—</b> (The term "expenditures" means amounts paid or incurred.)		<b>(a) Filing Organization's Totals</b>	<b>(b) Affiliated Group Totals</b>
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying)			
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)			
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)			
<b>d</b> Other exempt purpose expenditures			
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)			
<b>f</b> Lobbying nontaxable amount Enter the amount from the following table in both columns—			
<b>If the amount on line 1e, column (a) or (b) is:</b>		<b>The lobbying nontaxable amount is:</b>	
Not over \$500,000		20% of the amount on line 1e	
Over \$500,000 but not over \$1,000,000		\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000		\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000		\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000		\$1,000,000	
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)			
<b>h</b> Subtract line 1g from line 1a Enter -0- if line g is more than line a			
<b>i</b> Subtract line 1f from line 1c Enter -0- if line f is more than line c			
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

**4-Year Averaging Period Under Section 501(h)****(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 1a through 1f of the instructions.)****Lobbying Expenditures During 4-Year Averaging Period**

<b>Calendar year (or fiscal year beginning in)</b>	<b>(a) 2005</b>	<b>(b) 2006</b>	<b>(c) 2007</b>	<b>(d) 2008</b>	<b>(e) Total</b>
<b>2a</b> Lobbying non-taxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots non-taxable amount					
<b>e</b> Grassroots ceiling amount (150% of line d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

**Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)).** (See the instructions for Schedule C for details.)

	(a)		(b)	
	Yes	No	Amount	
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of				
<b>a</b> Volunteers?			No	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines c through i)?			No	
<b>c</b> Media advertisements?			No	
<b>d</b> Mailings to members, legislators, or the public?			No	
<b>e</b> Publications, or published or broadcast statements?			No	
<b>f</b> Grants to other organizations for lobbying purposes?			Yes 9,179	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?			No	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?			No	
<b>i</b> Other activities If "Yes," describe in Part IV			No	
<b>j</b> Total lines 1c through 1i			9,179	
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			No	
<b>b</b> If "Yes" enter the amount of any tax incurred under section 4912				
<b>c</b> If "Yes" enter the amount of any tax incurred by organization managers under section 4912				
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			No	

**Part III-A To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).** (See the instructions for Schedule C for details.)

	Yes	No
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members?	1	
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
<b>3</b> Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	

**Part III-B To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes."** (See the instructions for Schedule C for details.)

<b>1</b> Dues, assessments and similar amounts from members	1 \$
<b>2</b> Section 162(e) non-deductible lobbying and political expenditures ( <b>do not include amounts of political expenses for which the section 527(f) tax was paid</b> ).	
<b>a</b> Current Year	2a \$
<b>b</b> Carryover from last year	2b \$
<b>c</b> Total	2c \$
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3 \$
<b>4</b> If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4 \$
<b>5</b> Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5 \$

**Part IV Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1. Also, complete this part for any additional information

Identifier	Return Reference	Explanation

## **Part IV      Supplemental Information**

2008

Open to Public  
Inspection**SCHEDULE D**  
(Form 990)**Supplemental Financial Statements**

► Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Department of the Treasury  
Internal Revenue Service**Name of the organization**  
Sid Peterson Memorial Hospital**Employer identification number**

74-2557820

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate Contributions to (during year)		
3 Aggregate Grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or pleasure)  Preservation of an historically important land area  
 Protection of natural habitat  Preservation of certified historic structure  
 Preservation of open space

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
2a	
2b	
2c	
2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?

 Yes  No

6 Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

 Yes  No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$

(ii) Assets included in Form 990, Part X ► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$

b Assets included in Form 990, Part X ► \$

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a  Public exhibition      d  Loan or exchange programs  
 b  Scholarly research      e  Other  
 c  Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Trust, Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain why in Part XIV and complete the following table

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

b If "Yes," explain the arrangement in Part XIV

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance . . . . .	76,860				
b Contributions . . . . .					
c Investment earnings or losses . . . . .	1,116				
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .	176				
g End of year balance . . . . .	77,800				

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ► 100 %  
 b Permanent endowment ► 100 %  
 c Term endowment ►

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

	Yes	No
(i) unrelated organizations . . . . .	3a(i)	No
(ii) related organizations . . . . .	3a(ii)	No

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

4 Describe in Part XIV the intended uses of the organization's endowment funds

**Part VI Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land . . . . .	5,017,829			5,017,829
b Buildings . . . . .	124,913,549	48,093,493		76,820,056
c Leasehold improvements . . . . .	187,947	64,442		123,505
d Equipment . . . . .	44,601,176	25,187,436		19,413,740
e Other . . . . .	0			0
<b>Total.</b> Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .				101,375,130

**Part VII Investments—Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
<b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 12.) ►		

**Part VIII Investments—Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
<b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 13.) ►		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
Deferred Financing Costs	1,600,403
Medicare Receivable	1,500,000
Interest Receivable	11,529
Other Receivables	55,325
<b>Total.</b> (Column (b) should equal Form 990, Part X, col.(B) line 15.)	• • • • • • • • •

**Part X Other Liabilities.** See Form 990, Part X, line 25.

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Self-Insurance Costs	1,847,563
<b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 25.) ►	1,847,563

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1
2	Total expenses (Form 990, Part IX, column (A), line 25)	2
3	Excess or (deficit) for the year Subtract line 2 from line 1	3
4	Net unrealized gains (losses) on investments	4
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	7
8	Other (Describe in Part XIV)	8
9	Total adjustments (net) Add lines 4 - 8	9
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements . . . . .	1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments . . . . .	2a
b	Donated services and use of facilities . . . . .	2b
c	Recoveries of prior year grants . . . . .	2c
d	Other (Describe in Part XIV) . . . . .	2d
e	Add lines 2a through 2d . . . . .	2e
3	Subtract line 2e from line 1 . . . . .	3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a
b	Other (Describe in Part XIV) . . . . .	4b
c	Add lines 4a and 4b . . . . .	4c
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 ) . . . . .	5

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements . . . . .	1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities . . . . .	2a
b	Prior year adjustments . . . . .	2b
c	Losses reported on Form 990, Part IX, line 25 . . . . .	2c
d	Other (Describe in Part XIV) . . . . .	2d
e	Add lines 2a through 2d . . . . .	2e
3	Subtract line 2e from line 1 . . . . .	3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a
b	Other (Describe in Part XIV) . . . . .	4b
c	Add lines 4a and 4b . . . . .	4c
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 ) . . . . .	5

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation
Part V, Line 4	Describe the Intended uses of the organization's endowment funds	Earnings from the endowment fund will be used for the Hospice program To date earnings have not been expended
fin 48 financial statements footnote		The medical center accounts for income taxes pursuant to financial accounting standards board interpretation no 48 (fin 48), accounting for uncertainty in income taxes the medical center is required to file federal form 990 with the internal revenue service on an annual basis at june 30, 2009, the medical center had not identified any material uncertain tax positions

SCHEDULE H  
(Form 990)

## Hospitals

OMB No 1545-0047

2008

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue ServiceName of the organization  
Sid Peterson Memorial Hospital

Employer identification number

74-2557820

## Part I Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

1a Does the organization have a charity care policy? If "No," skip to question 6a . . . . .

b If "Yes," is it a written policy? . . . . .

2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals

 Applied uniformly to all hospitals Applied uniformly to most hospitals Generally tailored to individual hospitals

3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients

a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care

 100% 150% 200% Other 174 %

b Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . .

 200% 250% 300% 350% 400% Other %

c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care

4 Does the organization's policy provide free or discounted care to the "medically indigent"? . . . . .

5a Does the organization budget amounts for free or discounted care provided under its charity care policy? . . . . .

b If "Yes," did the organization's charity care expenses exceed the budgeted amount? . . . . .

c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .

6a Does the organization prepare an annual community benefit report? . . . . .

6b If "Yes," does the organization make it available to the public? . . . . .

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

## 7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from worksheets 1 and 2) . . .			5,442,851		5,442,851	6 1 %
b Unreimbursed Medicaid (from worksheet 3, column a) . .			5,692,996	3,777,744	1,915,252	2 15 %
c Unreimbursed costs—other means-tested government programs (from worksheet 3, column b) . . . . .			1,670,243	2,076,884		
d Total Charity Care and Means-Tested Programs . . .			12,806,090	5,854,628	7,358,103	8 25 %
<b>Other Benefits</b>						
e Community health improvement services and community benefit operations (from worksheet 4) . . . . .			83,941	1,700	82,241	0 09 %
f Health professions education (from worksheet 5) . . .			193,903		193,903	0 22 %
g Subsidized health services (from worksheet 6) . . .			102,948		102,948	0 11 %
h Research (from worksheet 7)						
i Cash and in-kind contributions to community groups (from worksheet 8) . . .			16,376		16,376	0 02 %
j Total Other Benefits . . . .			397,168	1,700	395,468	0 44 %
k Total (line 7d and 7j) . . . .			13,203,258	5,856,328	7,753,571	8 69 %

**Part II Community Building Activities** (Complete this table if the organization conducted any community building activities) (Optional for 2008)

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
<b>10 Total</b>						

**Part III Bad Debt, Medicare, & Collection Practices** (Optional for 2008)**Section A. Bad Debt Expense**

1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15? **1**

2 Enter the amount of the organization's bad debt expense (at cost) **2** 3,018,364

3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy **3** 754,591

4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, or rationale for including other bad debt amounts in community benefit

Yes	No
<b>1</b>	No

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME) **5** 33,053,978

6 Enter Medicare allowable costs of care relating to payments on line 5 **6** 44,285,023

7 Enter line 5 less line 6—surplus or (shortfall) **7** -11,231,045

8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit and the costing methodology or source used to determine the amount reported on line 6 and indicate which of the following methods was used

 Cost accounting system Cost to charge ratio Other**Section C. Collection Practices**

9a Does the organization have a written debt collection policy? **9a** Yes

9b If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI **9b** Yes

<b>9a</b>	Yes
<b>9b</b>	Yes

**Part IV Management Companies and Joint Ventures** (Optional for 2008)

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 Kerrville Cancer Ctr	Radiation Treatment inpatient		0 %	0 %	75 %
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

**Part V Facility Information (Required for 2008)**

Name and address	Other (Describe)
Peterson Regional Medical Center	
551 Hill Country Dr	
Kerrville, TX 78028	X
Peterson Ambulatory Care Center	
260 Cully Drive	
Kerrville, TX 78028	
Peterson Home Care	
1420 Water Street	
Kerrville, TX 78028	
Peterson Hospice	
1121 Broadway	
Kerrville, TX 78028	

**Part VI Supplemental Information (Optional for 2008)**

Complete this part to provide the following information

**1** Provide the description required for Part I, line 3c, Part I, line 7, Part III, line 4, Part III, line 8, and Part III, line 9b

---



---



---



---



---

The Medical Center reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients, and others. The Medical Center provides an allowance for doubtful accounts based upon a review of outstanding receivables, historical collection information, and existing economic conditions. As a service to the patient, the Medical Center bills third-party payers directly and bills the patient when the patient's liability is determined. Patient accounts receivable are due in full when billed. Accounts are considered delinquent and subsequently written off as bad debt, based on individual credit evaluation and specific circumstances of the account.

The Medical Center uses Medicare cost report methodology, which apportions routine costs (room and board) based on Medicaid or Medicare days to total days and apportions ancillary costs based on program charges to total charges.

If the patient qualifies for charity care per written hospital criteria, the qualifying balance is written off to charity care and no further collection efforts are made.

**2 Needs Assessment.** Describe how the organization assesses the health care needs of the communities it serves

Peterson Regional Medical Center (PRMC) assesses community needs through a combination of outside sources like focus groups to determine community perceptions about our services (emergency department and women's health services most recently), Thomson Reuters, Texas Department of Health and Human Services, and organizations including Chamber of Commerce, Economic Development Commission and Texas Hospital Association. Along with information and data gathered from these external sources PRMC uses PressGaney surveys for patients, employees and physicians. Presently PRMC offers most of the same high-tech medical treatments and procedures found in nearby urban areas. Additionally, the 35-acre PRMC campus includes an ambulatory care center complete with outpatient surgery, imaging, laboratory, infusion services and rehabilitation services including a large indoor heated therapy pool as well as a regional wound healing center.

**3 Patient Education of Eligibility for Assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy

Patients who have or will have a patient responsibility are approached by patient registration staff to make financial arrangements prior to or at the time of service. Any patient who cannot make appropriate financial arrangements is referred to Medical Third Party Resources (MTPR) (a group contracted by hospital to assist patients in qualifying for financial assistance) for possible financial assistance for which they may qualify. If patient does not qualify for assistance through MTPR, registration staff offer an internal Financial Aid Application (charity care) and explain the process. MTPR contacts all referred uninsured patients, not seen at the time of hospital pre-registration or at registration, by sending a letter, contact by phone, and or personal visit, informing them of federal, state or local government programs that may assist with unpaid medical bills. The patient is instructed to call or come by the office to be screened for possible assistance. If patient is potentially eligible, MTPR will assist with the application process and gathering of necessary verification. If no assistance is available through these programs, MTPR will offer a Financial Aid Application (charity care) for possible assistance with the hospital bill. At the time of billing for patients with self pay balances, business office include letters which state to call if financial assistance is needed. When payments are not received in a timely manner, a courtesy call to the patient is attempted to make payment arrangements. If the patient states that they do not have means to pay the bill, an offer is again made to contact MTPR for financial assistance or we offer to mail our financial aid application. A posting is displayed in registration areas that we offer charity care and to contact the business office (phone number is provided) for details.

**4 Community Information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

PRMC serves a region of approximately 6 counties. More than 40,000 people live within PRMC's primary service area and approximately 80,000 people reside in PRMC's overall service area represented by Kerr, Kendall, Kimble, Bandera, Edwards, Gillespie and Real counties. PRMC operates within a competitive healthcare marketplace. Located approximately 60 miles northwest of San Antonio, residents of the Texas Hill Country have relatively easy access to the South Texas Medical Center, a medical district consisting of 45 medically related institutions/ various separate medical, dental and nursing schools, twelve hospitals and five specialty institutions.

**5 Community Building Activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

PRMC actively promotes healthcare and wellness education within the communities we serve through low or no cost screenings, monthly educational seminars addressing important and timely medical issues, events and publications. PRMC employs a Health and Wellness Coordinator to help organize, schedule, and execute the community seminars and screenings. Working with local businesses, churches, community groups, and seniors, PRMC brings information and education out into the communities we serve through programs like the annual flu clinic, low cost lab testing options, and even a community vegetable garden grown by underprivileged school children to help better nutrition.

**6** Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)

PRMC has an open medical staff. The hospital is active in our community by contributing both time and employee volunteers to help health and wellness activities of American Heart Association, Relay for Life and our local Special Olympics event - just to name a few. PRMC works closely with the Raphael Clinic (the local no-cost medical clinic for patients who have no insurance) assisting them with supplies, staff, free lab and imaging services and educational support. PRMC provided approximately \$900,000 in charity care per month this past fiscal year. Several times a year, in different communities, PRMC has free child safety seat checkups to be sure both child seats and boosters are installed properly. Free child seats are given to those who attend and either do not have a car seat or when the one being used is unsafe.

**7** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

---



---



---



---

**8** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

## **Grants and Other Assistance to Organizations, Governments and Individuals in the U.S.**

Department of the Treasury  
Internal Revenue Service

**Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22. Attach to Form 990.**

**Open to Public  
Inspection**

Name of the organization  
Sid Peterson Memorial Hospital

**Employer identification number**

74-2557820

## **Part I General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .  Yes  No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 if additional space is needed.

2 Enter total number of section 501(c)(3) and government organizations.

**3 Enter total number of other organizations**

**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.

Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
Education Assistance	21	50,146		FMV	

**Part IV Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

See Additional Data Table

Identifier	Return Reference	Explanation
Part I, Question 2	Procedures for Monitoring the use of grant funds to U S	In order to be eligible to receive funds from Peterson Regional Medical Center's School or Work Study Programs, the following criteria must be met 1) A copy of the student's degree plan from the educational institution 2) A copy of the bill 3) The requested courses for the semester 4) A current copy of the student's FAFSA confirmation 5) E-mail/MOX from the unit manager acknowledging the student is enrolling 6) Personal Data Form current to this semester 7) Copy of grades from any previous paid classes 8) If Work Study, a copy of the signed Promissory Agreement 9) If Work Study, the application Every student is required to complete and present this information for every semester they request scholarship funds The request for funds is considered only after all paperwork is turned in and passing grades from the previous semester funded are presented

2008

Open to Public  
Inspection**Schedule J**  
(Form 990)**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
**► Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.**

Department of the Treasury  
Internal Revenue Service**Name of the organization**  
Sid Peterson Memorial Hospital**Employer identification number**

74-2557820

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

**b** If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply

<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a

**a** Receive a severance payment or change of control payment?  
**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?  
**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

**a** The organization?

**b** Any related organization?

If "Yes," to line 5a or 5b, describe in Part III

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

**a** The organization?

**b** Any related organization?

If "Yes," to line 6a or 6b, describe in Part III

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

	Yes	No
<b>1b</b>		No
<b>2</b>	Yes	
<b>4a</b>		No
<b>4b</b>		No
<b>4c</b>		No
<b>5a</b>		No
<b>5b</b>		No
<b>6a</b>		No
<b>6b</b>		No
<b>7</b>		No
<b>8</b>		No

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Patrick Murray	(i) 268,083 (ii) 0	0 0	0 0	9,326 0	6,614 0	284,023 0	0 0
Robert Walther	(i) 145,611 (ii) 0	0 0	0 0	7,499 0	5,643 0	158,753 0	0 0
Anne O'Brien	(i) 143,717 (ii) 0	0 0	0 0	11,446 0	4,500 0	159,663 0	0 0
Robert Bauer	(i) 162,010 (ii) 0	0 0	0 0	1,849 0	2,524 0	166,383 0	0 0
James Merrick	(i) 148,607 (ii) 0	0 0	0 0	7,581 0	3,564 0	159,752 0	0 0
Carlos Perez	(i) 145,772 (ii) 0	0 0	0 0	6,712 0	0 0	152,484 0	0 0
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						

**Part III**      **Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Schedule K  
(Form 990)

OMB No 1545-0047

## Supplemental Information on Tax Exempt Bonds

2008

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue ServiceTo be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a.  
Provide descriptions, explanations, and any additional information in Schedule O.Name of the organization  
Sid Peterson Memorial Hospital

Employer identification number

74-2557820

## Part I Bond Issues (Required for 2008)

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
						Yes	No	Yes	No
A City of Kerrville TX Health Facilities Dev Corp	20-3591155	492436AA8	10-26-2005	81,675,000	finance cost of health facilities		X		X

## Part II Proceeds (Optional for 2008)

1	Total Proceeds of Issue	A		B		C		D		E	
		81,675,000									
2	Gross Proceeds in Reserve Funds		5,694,385								
3	Proceeds in Refunding or Defeasance Escrows										
4	Other Unspent Proceeds										
5	Issuance Costs from Proceeds		1,959,776								
6	Working Capital Expenditures from Proceeds										
7	Capital Expenditures from Proceeds		74,020,839								
8	Year of Substantial Completion		2008								
9	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
10	Were the bonds issued as part of an advance refunding issue?		X								
11	Has the final allocation of proceeds been made?	X									
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

## Part III Private Business Use (Optional for 2008)

1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?	A		B		C		D		E	
		Yes	No								
			X								
2	Are there any lease arrangements with respect to the financed property which may result in private business use?		X								

**Part III Private Business Use (Continued)**

	A		B		C		D		E	
	Yes	No								
3a Are there any management or service contracts with respect to the financed property which may result in private business use?		X								
3b Are there any research agreements with respect to the financed property which may result in private business use?		X								
3c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X								
4 Enter the percentage of financed property used in a private business use by entities other than a 501(c)(3) organization or a state or local government										
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another 501(c)(3) organization, or a state or local government										
6 Total of lines 4 and 5										
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X									

**Part IV Arbitrage (Optional for 2008)**

	A		B		C		D		E	
	Yes	No								
1 Has a Form 8038-T been filed with respect to the bond issue?		X								
2 Is the bond issue a variable rate issue?		X								
3a Has the organization or the government issuer identified a hedge with respect to the bond issue on its books and records?		X								
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?		X								
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?		X								
6 Did the bond issue qualify for an exception to rebate?		X								

## Schedule L

## Transactions with Interested Persons

OMB No 1545-0047

2008

## Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

- Attach to Form 990 or Form 990-EZ.
- To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.

**Name of the organization**

**Employer identification number**

74-2557820

**Part I Excess Benefit Transactions** (section 501(c)(3) and section 501 (c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 \$ \_\_\_\_\_

**Part II      Loans to and/or From Interested Persons**

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

## **Grants or Assistance Benefitting Interested Persons**

Part IV Business Transactions Involving Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

<b>(a)</b> Name of interested person	<b>(b)</b> Relationship between interested person and the organization	<b>(c)</b> Amount of transaction	<b>(d)</b> Description of transaction	<b>(e)</b> Sharing of organization's revenues?	
				<b>Yes</b>	<b>No</b>
Steve Huser	Member Board of Directors	288,987	Huser Construction-fire damage		No
Elizabeth Murray	Wife of CEO	22,994	Employed in Hospice Department		No

2008

Open to Public  
Inspection**SCHEDULE O**  
(Form 990)**Supplemental Information to Form 990**

► **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

Department of the Treasury  
Internal Revenue ServiceName of the organization  
Sid Peterson Memorial Hospital

Employer identification number

74-2557820

Identifier	Return Reference	Explanation
Part VI, Question 4	Describe significant changes to organizational Documents	An additional key employee Position was added during the tax year

Identifier	Return Reference	Explanation
Part VI, Question 10	Describe process to review 990	The organization engages an outside accounting firm to prepare form 990. Once prepared, the form is reviewed by the organization's internal accountants, CEO, CFO, and Controller, and Copies of the return are provided to each Board Member for input prior to filing

Identifier	Return Reference	Explanation
Part VI, Question 15a	Describe process for determining compensation of CEO or top official	In 2008, the Board of Director's compensation committee reviewed and approved the compensation of the organization's CEO and executive director. The committee reviewed the compensation reported on other organization's form 990s and completed a compensation study to compare compensation relative to other hospital's within the industry

Identifier	Return Reference	Explanation
Part VI, Question 19	Describe how documents are made available to the public	The organization makes its governing documents, conflict of interest policy, and financial statements available to the public upon request

Identifier	Return Reference	Explanation
Part VI, Question 12b	Annual disclosure of interests that could give rise to conflicts	The organization did not require an annual disclosure in the past based on the composition of the board. The organization will require an annual disclosure in the future

Identifier	Return Reference	Explanation
Part VI, Question 12c	describe how organization monitors and enforces compliance with policy	The organization internally reviews transactions for possible conflict on a routine basis throughout the year

## **SCHEDULE R (Form 990)**

## Related Organizations and Unrelated Partnerships

OMB No 1545-0047

**2008**

## Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

**Name of the organization**

**Employer identification number**

74-2557820

► **Attach to Form 990.** To be completed by organizations that answered "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.  
► See separate instructions.

## **Part I Identification of Disregarded Entities**

## **Part II Identification of Related Tax-Exempt Organizations**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
Peterson Regional Medical Center Fdn  551 Hill Country Drive Kerrville, TX78028 74-2645149	Fundraising	TX	501(c)(3)	11	na

### **Part III Identification of Related Organizations Taxable as a Partnership**

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust**

**Part V Transactions with Related Organizations****Note.** Complete line 1 if any entity is listed in Parts II, III or IV**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

	<b>Yes</b>	<b>No</b>
1a		<b>No</b>
1b		<b>No</b>
1c	<b>Yes</b>	
1d		<b>No</b>
1e		<b>No</b>
1f		<b>No</b>
1g		<b>No</b>
1h		<b>No</b>
1i		<b>No</b>
1j		<b>No</b>
1k		<b>No</b>
1l		<b>No</b>
1m		<b>No</b>
1n		<b>No</b>
1o		<b>No</b>
1p		<b>No</b>
1q		<b>No</b>
1r		<b>No</b>

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	<b>(A)</b> Name of other organization(s)	<b>(B)</b> Transaction type(a-r)	<b>(C)</b> Amount Involved
(1)	Peterson Regional Medical Center Foundation	C	10,326,119
(2)			
(3)			
(4)			
(5)			
(6)			

## Part VI Unrelated Organizations Taxable as a Partnership

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

## Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 74-2557820  
**Name:** Sid Peterson Memorial Hospital

### Form 990, Part VII - Section Aaa

<b>(A)</b> Name and Title	<b>(B)</b> Average hours per week	<b>(C)</b> Position (check all that apply)					<b>(D)</b> Reportable compensation from the organization (W- 2/1099MISC)	<b>(E)</b> Reportable compensation from related organizations (W- 2/1099- MISC)	<b>(F)</b> Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee			
Thomas H Murray Jr , President	4 0	X		X			0	0	0
V Earl Merritt Jr MD , Vice President	2 0	X		X			0	0	0
Capt Jack Stevens , Secretary	2 0	X		X			0	0	0
Betsy Rhoden , Trustee	2 0	X					0	0	0
Stephen Huser , Trustee	2 0	X					0	0	0
Sam Junkin , Trustee	2 0	X					0	0	0
William Allen Jr MD , Trustee	2 0	X					0	0	0
Estela Avery , Trustee	2 0	X					0	0	0
Cecil Atkission , Trustee	2 0	X					0	0	0
Louis Romero , Trustee	2 0	X					0	0	0
Ed Wagoner , Trustee	2 0	X					0	0	0
Patrick Murray , CEO	40 0		X				268,083	0	15,940
Robert Walther , CFO	40 0		X				145,611	0	13,142
Anne O'Brien , Chief of Nursing Officer	50 0			X			143,717	0	15,946
Robert Bauer , Nurse Practitioner	50 0				X		162,010	0	4,373
James Merrick , Pharmacist Supervisor	41 0				X		148,607	0	11,145
Carlos Perez , Pharmacist	40 0				X		145,772	0	6,712
Zhili Fu , Pharmacist	40 0				X		144,019	0	986
Larry Nelson , Pharmacist	40 0				X		136,715	0	5,264