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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning APR 1, 2010 and ending MAR 31, 2011

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termin-ated
- ☐ Amended return
- ☐ Applica-tion pending

C Name of organization
West River Health Services
Doing Business As West River Regional Medical Ce

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite
1000 Highway 12

City or town, state or country, and ZIP + 4
Hettinger, ND 58639

F Name and address of principal officer Jim K. Long
same as C above

D Employer identification number
45-0340688

E Telephone number
701-567-4561

G Gross receipts $ 23,752,485.

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.wrhs.com

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1950 M State of legal domicile: ND

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: Provide comprehensive health and wellness services to the residents and visitors of the region.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	11
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	316
6	Total number of volunteers (estimate if necessary)	6	5
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

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		Prior Year	Current Year
Revenue 8	Contributions and grants (Part VIII, line 1h)	153,711.	74,595.
9	Program service revenue (Part VIII, line 2g)	23,117,323.	23,540,930.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	110,627.	73,310.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	57,239.	55,602.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	23,438,900.	23,744,437.
Expenses 13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	4,100.	500.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	10,103,759.	10,440,440.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 89,337.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	13,162,422.	13,100,359.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	23,270,281.	23,541,299.
19	Revenue less expenses Subtract line 18 from line 12	168,619.	203,138.

		Beginning of Current Year	End of Year
Net Assets or Fund Balances 20	Total assets (Part X, line 16)	23,965,813.	24,059,990.
21	Total liabilities (Part X, line 26)	7,686,536.	7,567,952.
22	Net assets or fund balances Subtract line 21 from line 20	16,279,277.	16,492,038.

Part II Signature Block

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.

Sign Here

▶ Signature of officer — Date 2-13-2012

▶ Jim K. Long CEO
Type or print name and title

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
	LISA CHAFFEE, CPA	LISA CHAFFEE, CPA	02/06/12	☐	

Firm's name ▶ EIDE BAILLY LLP — Firm's EIN ▶

Firm's address ▶ 4310 17TH AVE S PO BOX 2545
FARGO, ND 58108-2545

Phone no. 701-239-8500

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

SCANNED MAR 15 2012

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission:
The mission of West River Health Services (WRHS) is to provide comprehensive health and wellness services to the residents and visitors of the region.

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 [X] 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 [X] 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 501(c)(4) organizations and section 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 $ 22,188,594. including grants of $ 500.) (Revenue $ 23,461,275.)
West River Health Services (WRHS) is a nationally-recognized rural health care delivery system including hospital, swing bed, surgery, lab, radiology, emergency room, seven clinics, eye clinic, visiting nurse services, ambulance service, family therapy, rehabilitative therapies including physical therapy, occupational therapy and speech therapy, home medical equipment store, and wellness/fitness services.

In FY 2011, WRHS provided acute care services to 990 patients for a total of 3,494 days of care. Swing bed services were provided to 137 patients for a total of 980 days of care. In addition, 613 days of observation care were provided. There were 1,631 emergency room visits during the year. One hundred and one babies were born during the year

4b (Code _____) (Expenses $ _____ including grants of $ _____) (Revenue $ _____)

4c (Code _____) (Expenses $ _____ including grants of $ _____) (Revenue $ _____)

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

4e **Total program service expenses** ▶ 22,188,594.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
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*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or 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*	6		X
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*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
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*	9	X	
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
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, Parts II and IV*	15		X
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, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach its audited financial statements to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	X	

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
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 lines 24b through 24d and complete Schedule K. If "No", go to line 25*	24a	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		X
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?	24c		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		X
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*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
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*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b	X	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		X
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*	34	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		X
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☐ Yes ☒ No			
36	**Section 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*	36		X
37	Did the organization conduct more than 5% 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*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	37		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	316		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, *you may be required to e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b		
4a	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		X
b	If "Yes," enter the name of the foreign country. ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts.		5a		X
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5b		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5c		
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?				
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	*Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required* to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter.				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?		13a		
	Note. See the instructions for additional information the organization must report on Schedule O				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*		14b		

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions.*

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a 11		
b	Enter the number of voting members included in line 1a, above, who are independent	1b 10		
2	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?	2		X
3	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?	3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6	Does the organization have members or stockholders?	6	X	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director, 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*	9		X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code)*

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		X
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?	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	X	
13	Does the organization have a written whistleblower policy?	13	X	
14	Does the organization have a written document retention and destruction policy?	14	X	
15	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?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b		X
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
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?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ None

18 Section 6104 requires an organization to make its Forms 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 [X] 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.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

Karan Ehlers - (701) 567-6150
1000 Highway 12, Hettinger, ND 58639

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

Check if Schedule O contains a response to any question in this Part VII [X]

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee "
- 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, and 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 neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Travis Ellison Chair	2.00	X		X				220.	0.	0.
Cody Jorgenson Vice Chair	2.00	X		X				340.	0.	0.
Lance Ketterling Secretary/Treasurer	2.00	X		X				210.	0.	0.
Eric Andress Board Director	2.00	X						230.	0.	0.
Gary Dewhirst Board Director	2.00	X						270.	0.	0.
Dale Wegh Board Director	2.00	X						110.	0.	0.
Cleve Teske Board Director	2.00	X						150.	0.	0.
Robert Parker Board Director	2.00	X						230.	0.	0.
Doug Jerde Board Director	2.00	X						170.	0.	0.
Larry Jackson Board Director	2.00	X						270.	0.	0.
Haley Evans Board Director	2.00	X						20.	0.	0.
Jim Long CEO	35.00			X				152,082.	0.	17,224.
Karan Ehlers CFO	28.00			X				78,893.	0.	23,357.
Susan Hallen Pharmacist	40.00					X		149,726.	0.	11,957.
Mitch Schultz Pharmacist	40.00					X		110,950.	0.	16,504.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total ▶								493,871.	0.	69,042.
c Total from continuation sheets to Part VII, Section A ▶								0.	0.	0.
d Total (add lines 1b and 1c) ▶								493,871.	0.	69,042.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 3

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 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? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

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
United Clinics Physician PC 1100 Highway 12, Hettinger, ND 58639	Physician Services	4,138,635.
Capital City Construction P.O. Box 7337, Bismarck, ND 58507	Construction	406,323.
Dr. Mark Kristy 1000 Highway 12, Hettinger, ND 58639	Radiology Services	369,586.
Mondak Imaging Services, 11 South 7th St Suite 241, Miles City, MT 59301	MRI Services	260,589.
Robert Gibb & Sons, Inc. P.O. Box 10188, Fargo, ND 58106	Mechanical Contractor	243,167.

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 7

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	15,191.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	59,404.			
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f	▶	74,595.			
Program Service Revenue		Business Code				
	2a Patient Service Revenu	621110	22737760.	22737760.		
	b Other	900099	300,622.	300,622.		
	c Affiliation Support	900099	300,000.	300,000.		
	d Cafeteria	722210	103,248.			103,248.
	e Assisted Living Rent	621610	99,300.	99,300.		
	f All other program service revenue					
	g **Total.** Add lines 2a-2f	▶	23540930.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	▶	73,310.			73,310.
	4 Income from investment of tax-exempt bond proceeds	▶				
	5 Royalties	▶				
		(i) Real	(ii) Personal			
	6a Gross Rents	61,950.				
	b Less: rental expenses	7,107.				
	c Rental income or (loss)	54,843.				
	d Net rental income or (loss)	▶	54,843.	23,593.		31,250.
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory					
	b Less cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss)	▶				
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b Less direct expenses	b				
	c Net income or (loss) from fundraising events	▶				
	9a Gross income from gaming activities See Part IV, line 19	a	1,700.			
	b Less direct expenses	b	941.			
	c Net income or (loss) from gaming activities	▶	759.			759.
	10a Gross sales of inventory, less returns and allowances	a				
	b Less cost of goods sold	b				
	c Net income or (loss) from sales of inventory	▶				
	Miscellaneous Revenue	Business Code				
	11a					
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a-11d	▶				
	12 **Total revenue.** See instructions.	▶	23744437.	23461275.	0.	208,567.

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)

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	500.	500.		
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	267,392.		267,392.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	7,946,164.	7,418,946.	459,417.	67,801.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	260,199.	249,384.	8,536.	2,279.
9 Other employee benefits	1,385,722.	1,270,312.	103,801.	11,609.
10 Payroll taxes	580,963.	526,807.	49,342.	4,814.
11 Fees for services (non-employees)				
a Management				
b Legal	6,640.		6,640.	
c Accounting	54,446.		54,446.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	5,924,317.	5,814,161.	110,156.	
12 Advertising and promotion	87,199.	87,199.		
13 Office expenses	3,865,939.	3,793,234.	72,705.	
14 Information technology				
15 Royalties				
16 Occupancy	589,550.	588,888.	662.	
17 Travel	188,804.	148,420.	40,384.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	1,358.	500.	858.	
20 Interest	260,460.	260,460.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,146,946.	1,146,946.		
23 Insurance	68,298.	60,172.	8,126.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a Bad Debts	623,501.	623,501.		
b Recruitment	158,002.	126,380.	31,622.	
c Dues and Subscriptions	61,945.	34,989.	26,956.	
d Employee Activities Exp	14,061.		14,061.	
e Lost Charge Expense	8,365.	8,365.		
f All other expenses	40,528.	29,430.	8,264.	2,834.
25 **Total functional expenses** Add lines 1 through 24f	23,541,299.	22,188,594.	1,263,368.	89,337.
26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720). 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) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	2,632,000.	2	1,621,226.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	3,596,592.	4	3,848,974.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	500,007.	8	571,913.
	9	Prepaid expenses and deferred charges	208,794.	9	199,464.
	10a	Land, buildings, and equipment. cost or other basis Complete Part VI of Schedule D — 10a: 29,333,092.			
	b	Less: accumulated depreciation — 10b: 15,417,313.	13,625,201.	10c	13,915,779.
	11	Investments - publicly traded securities	1,916,000.	11	1,879,491.
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	1,487,219.	15	2,023,143.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	23,965,813.	16	24,059,990.
Liabilities	17	Accounts payable and accrued expenses	1,947,573.	17	1,945,005.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities	5,433,575.	20	5,230,699.
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities Complete Part X of Schedule D	305,388.	25	392,248.
	26	**Total liabilities.** Add lines 17 through 25	7,686,536.	26	7,567,952.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	16,279,277.	27	16,492,038.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	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	16,279,277.	33	16,492,038.
	34	Total liabilities and net assets/fund balances	23,965,813.	34	24,059,990.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	23,744,437.
2	Total expenses (must equal Part IX, column (A), line 25)	2	23,541,299.
3	Revenue less expenses Subtract line 2 from line 1	3	203,138.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	16,279,277.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	9,623.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	16,492,038.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII [ ]

			Yes	No
1	Accounting method used to prepare the Form 990. [ ] Cash [X] Accrual [ ] Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If "Yes" to line 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: [ ] Separate basis [ ] Consolidated basis [X] Both consolidated and separate basis			
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		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization	Employer identification number
West River Health Services	45-0340688

Part I Reason for Public Charity Status (All organizations must complete this part) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box)

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).**

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).**

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

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

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?

		Yes	No
(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 supported organization?	11g(i)	
(ii)	A family member of a person described in (i) above?	11g(ii)	
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col. (i) of your support? Yes	(v) No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	(vi) No	(vii) Amount of support
Total									

Part II Support Schedule for Organizations Described in Sections 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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2009 Schedule A, Part II, line 14 15 %

16a **33 1/3% support test - 2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support test - 2009.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2010.** 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 **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2009.** 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 **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2010** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2009** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2010.** 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 **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2009.** 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 **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

West River Health Services

Employer identification number

45-0340688

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? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ 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 education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 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 Tax Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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 section 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 (ASC 958), 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 (ASC 958), 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 (ASC 958) 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 acquisition, 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
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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 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 the arrangement in Part XIV and complete the following table.

		Amount
c	Beginning balance	1c 7,508.
d	Additions during the year	1d 14,411.
e	Distributions during the year	1e 15,299.
f	Ending balance	1f 6,620.

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					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

a Board designated or quasi-endowment ▶ _____%
b Permanent endowment ▶ _____%
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)		
(ii) related organizations 3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? 3b		

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

Part VI 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) Accumulated depreciation	(d) Book value
1a Land	18,000.	90,113.		108,113.
b Buildings	1,748,856.	16,854,092.	7,236,680.	11,366,268.
c Leasehold improvements				
d Equipment	30,107.	10,051,821.	7,873,384.	2,208,544.
e Other		540,103.	307,249.	232,854.
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				13,915,779.

Schedule D (Form 990) 2010

032052
12-20-10

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
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total (Col (b) must 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
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must 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
(1) Deferred financing costs	98,856.
(2) Related Party Receivables	1,544,287.
(3) Estimated third-party payor settlements	380,000.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15.)* ▶	2,023,143.

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

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) Due to Related Party	392,248.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	392,248.

2. FIN 48 (ASC 740) Footnote 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 (ASC 740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	23,744,437.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	23,541,299.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	203,138.
4	Net unrealized gains (losses) on investments	4	8,736.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	887.
9	Total adjustments (net). Add lines 4 through 8	9	9,623.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	212,761.

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	23,675,170.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	8,736.		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	<71,640.>		
e	Add lines 2a through 2d			2e	<62,904.>
3	Subtract line 2e from line 1			3	23,738,074.
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	6,363.		
c	Add lines 4a and 4b			4c	6,363.
5	Total revenue Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12)*			5	23,744,437.

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

1	Total expenses and losses per audited financial statements			1	23,462,409.
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	Other losses	2c			
d	Other (Describe in Part XIV.)	2d	7,107.		
e	Add lines 2a through 2d			2e	7,107.
3	Subtract line 2e from line 1			3	23,455,302.
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	85,997.		
c	Add lines 4a and 4b			4c	85,997.
5	Total expenses. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18)*			5	23,541,299.

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 IV, lines 1b and 2b; Part V, line 4, Part X, line 2, Part XI, line 8; Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part IV, line 1b: The hospital has an auxiliary that operates under their EIN. These funds are controlled by the auxiliary board members.

Part X, Line 2: West River Health Services (WRHS) is organized as a North Dakota nonprofit corporation and has been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). WRHS undergoes an annual analysis of its various tax positions, assessing the likelihood of those positions being upheld

Part XIV Supplemental Information *(continued)*

upon examination with relevant tax authorities, as defined by the accounting principles generally accepted in the United States of America. WRHS believes that it they are compliant with all IRS tax regulations and as of March 31, 2011, has not recorded a tax liability for a tax uncertainty.

Part XI, Line 8 - Other Adjustments:

Auxiliary net income change	887.

Part XII, Line 2d - Other Adjustments:

Rental Property Depreciation Included in Revenue on Financial Statements	-71,640.

Part XII, Line 4b - Other Adjustments:

Special Events Expense	-941.
Auxiliary revenue	14,411.
Rental expenses	-7,107.
Total to Schedule D, Part XII, Line 4b	6,363.

Part XIII, Line 2d - Other Adjustments:

Rental Property Expenses	7,107.

Part XIII, Line 4b - Other Adjustments:

Auxiliary expenses	14,357.
Rental Property Depreciation Included in Revenue on Financial Statements	71,640.
Total to Schedule D, Part XIII, Line 4b	85,997.

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization West River Health Services

Employer identification number 45-0340688

Part I Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a X	
b	If "Yes," was it a written policy?	1b X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities		
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year		
a	Did 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 was the FPG family income limit for eligibility for free care: [ ] 100% [X] 150% [ ] 200% [ ] Other _____ %	3a X	
b	Did the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: [ ] 200% [X] 250% [ ] 300% [ ] 350% [ ] 400% [ ] Other _____ %	3b X	
c	If the organization did 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 used an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.		
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4 X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b X	
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?	5c	X
6a	Did the organization prepare a community benefit report during the tax year?	6a	X
b	If "Yes," did the organization make it available to the public?	6b	

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government 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 Financial Assistance at cost (from Worksheets 1 and 2)			187,284.		187,284.	.82%
b Unreimbursed Medicaid (from Worksheet 3, column a)			643,080.	591,977.	51,103.	.22%
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			830,364.	591,977.	238,387.	1.04%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			62,242.	21,334.	40,908.	.18%
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			8966726.	6645235.	2321491.	10.13%
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j **Total.** Other Benefits			9028968.	6666569.	2362399.	10.31%
k **Total.** Add lines 7d and 7j			9859332.	7258546.	2600786.	11.35%

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

		(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			5,681.		5,681.	.02%
7	Community health improvement advocacy						
8	Workforce development			41,049.		41,049.	.18%
9	Other						
10	Total			46,730.		46,730.	.20%

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?		1		X
2	Enter the amount of the organization's bad debt expense (at cost)	2	410,762.		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3	190,168.		
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, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	6,987,608.
6	Enter Medicare allowable costs of care relating to payments on line 5	6	6,918,424.
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	69,184.
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☐ Cost to charge ratio ☒ Other		

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?		9a	X	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI		9b	X	

Part IV Management Companies and Joint Ventures

(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 %

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)
1 West River Health Services 1000 Highway 12 Hettinger, ND 58639	X	X			X		X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: Not Required

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply).			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 ____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in its community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %			

Part V Facility Information *(continued)* Not Required

			Yes	No
10	Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %			
11	Explained the basis for calculating amounts charged to patients?	11		
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	☐ Income level			
b	☐ Asset level			
c	☐ Medical indigency			
d	☐ Insurance status			
e	☐ Uninsured discount			
f	☐ Medicaid/Medicare			
g	☐ State regulation			
h	☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12		
13	Included measures to publicize the policy within the community served by the hospital facility?	13		
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	☐ The policy was posted on the hospital facility's website			
b	☐ The policy was attached to billing invoices			
c	☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	☐ The policy was posted in the hospital facility's admissions offices			
e	☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f	☐ The policy was available on request			
g	☐ Other (describe in Part VI)			
Billing and Collections				
14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15	Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:			
a	☐ Reporting to credit agency			
b	☐ Lawsuits			
c	☐ Liens on residences			
d	☐ Body attachments			
e	☐ Other actions (describe in Part VI)			
16	Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16		
	If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):			
a	☐ Reporting to credit agency			
b	☐ Lawsuits			
c	☐ Liens on residences			
d	☐ Body attachments			
e	☐ Other actions (describe in Part VI)			
17	Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):			
a	☐ Notified patients of the financial assistance policy on admission			
b	☐ Notified patients of the financial assistance policy prior to discharge			
c	☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e	☐ Other (describe in Part VI)			

Part V Facility Information *(continued)* Not Required

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	18		

If "No," indicate the reasons why (check all that apply).

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility did not have a policy relating to emergency medical care
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

Charges for Medical Care

19 Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply)

- a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility
- b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility
- c ☐ The hospital facility used the Medicare rate for those services
- d ☐ Other (describe in Part VI)

20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	20		
	If "Yes," explain in Part VI			
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?	21		
	If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? 8

Name and address	Type of Facility (describe)
1 New England Clinic 820 2nd Avenue West New England, ND 58647	Certified Clinic under the Hospital
2 Bowman Clinic 608 Hwy 12 West Bowman, ND 58623	Certified Clinic under the Hospital
3 Scranton Clinic 211 Main Street Scranton, ND 58653	Certified Clinic under the Hospital
4 Mott Clinic 420 Pacific Avenue Mott, ND 58646	Certified Clinic under the Hospital
5 Lemmon Clinic 401 6th Avenue West Lemmon, SD 57638	Certified Clinic under the Hospital
6 Hettinger West River Eye Center 1000 Hwy 12 Hettinger, ND 58639	Clinic
7 West River Foot & Ankle Center 683 State Ave Suite E Dickinson, ND 58601	Clinic
8 Hettinger Clinic 1000 Hwy 12 Hettinger, ND 58639	Certified Clinic under the Hospital

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II, Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

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 financial assistance policy

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

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities 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).

6 **Affiliated health care system.** 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.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part I, Line 7: The organization used Worksheet 2 to determine the cost for Part III, Line 7, Rows a and b. The organization used actual expenses to determine the cost for Part I, Line 7, Rows e and f. The cost for subsidized health services reported on line 7g was determined using the Medicare cost report.

Part I, Line 7g: The costs of $8,077,090 included in line 7g are attributed to a physician clinic.

Part I, Ln 7 Col(f): The amount of bad debt included on Form 990, Part IX, line 24, column (A), but subtracted for purposes of calculating the percentage on this line is $623,501.

Part II: West River Health Services is a not-for-profit organization whose mission is to provide comprehensive health and wellness services to residents and visitors of the region. We do this by reinvesting our profits back into the communities through various programs and services; making sure that care is available to everyone regardless of ability to pay; offering care with compassion to all patients; and

Part VI Supplemental Information

providing a wide range of special benefits to each community, such as programs to manage care for persons with chronic diseases, health education and disease prevention initiatives, outreach for the elderly, and care for persons who are poor or uninsured.

Part II - Community Building Activities

Line 6 - Coalition Building

Several of the WRHS staff are members of the Adams County Disaster Management Team and, as such, are also represented on the Southwest Region Coalition for Disaster Management. They are also actively involved in statewide initiatives to assure that WRHS and its partners are prepared in event of natural or manmade disasters. The floods of 2010 were a prime example of their involvement as they helped to develop procedures and protocol to follow in this natural disaster event. Included in the representation from WRHS are two representatives of the Quality Assurance/Quality Improvement Staff and the Disaster Management Coordinator for WRHS. In this reporting period, $4,873 of community benefit expense was incurred. There was no direct offsetting revenue to the expense.

During this reporting period, two employees from WRHS (Quality Assurance/Quality Improvement Staff) were represented on the Southwest Region Influenza Coalition. This Coalition works with the Southwest District Health Unit to help ensure adequate vaccination coverage for the underinsured and uninsured population of the area. The Coalition was also instrumental in assuring an adequate availability of both influenza and Tdap vaccine. The group met frequently to discuss current public health

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concerns and outbreaks. They provided much education to the public on benefits of influenza vaccinations and offered flu clinics at area farm shows and schools. In this reporting period, $808 of community benefit expense was incurred. There was no direct offsetting revenue to the expense.

Grand total of all coalition-building effort was $5,681.

Part II, Line 8 - Workforce Development

Included in the WRHS health care system is a 25-bed critical access hospital, seven clinics (located in Hettinger, Bowman, Scranton, New England, Dickinson, and Mott in North Dakota and Lemmon in South Dakota), a visiting nurse program, advanced life support ambulance service, plus a wide array of ancillary services to compliment the entirety of the system. The service area covers over 25,000 square miles and serves a population of 25,000. One of the biggest challenges WRHS has and continues to face is finding a workforce willing to locate to this sparsely-populated area. All communities within the system, including Hettinger, have been designated medical shortage areas. This reporting year has been especially difficult since several physicians have either retired or relocated leaving the system with a critical physician shortage. WRHS has long supported the need for health care services in even the remotest of areas. Recognizing that rural people deserve the same quality health care as do their urban counterparts, physicians and mid-levels travel daily to these remote sites in order to provide the health care these rural people so desperately need. Given the current shortage, physician/mid-level recruitment has been a major expense over the past year. Expenses have included collaborative

physician recruitment fees with the North Dakota Hospital Association, expense to attend statewide recruitment fairs, forgiveness of academic loan repayment for physicians, and expense to bring potential physician/mid-level candidates on-site to see the West River system and to interview for positions. Recruitment expense for this reporting period totaled $38,920.

Unlike many parts of the State or across the nation, Hettinger and its community clinic sites also face a burdensome manpower shortage for many health care professionals as well as ancillary service workers. Because we must compete with oil field development and an industry that is paying much higher wages, we often compete for the same labor force. WRHS is an advocate for education and, particularly, of efforts to "grow" a clientele that will hopefully return to the area for permanent jobs at some time in the future. In this past year, WRHS once again participated in a SCRUBS camp for area schools. This was a one-day event which offered students a perspective on health careers and assistance available to them if they chose to advance their education in a medical field. This was a very successful event and well over 325 students were in attendance. Ten staff from WRHS attended the camp and manned booths to answer questions and give specific information on careers in the health care field. Direct costs for staff to participate were $1,703; indirect costs were $426. Total was $2,129. There was no offsetting revenue to this project.

Grand total of all workforce development activities was $41,049.

Part III, Line 4: Footnote to organization's financial statements that describes bad debt expense:

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The carrying amount of patient receivables is reduced by a valuation allowance that reflects management's estimate of amounts that will not be collected from patients and third-party payors. Management reviews patient receivables by payor class and applies percentages to determine estimated amounts that will not be collected from third parties under contractual agreements and amounts that will not be collected from patients due to bad debts. Management considers historical write off and recovery information in determining the estimated bad debt provision.

Bad debt expense was converted to cost using the cost to charge ratio calculated using Worksheet 2.

The estimated amount of the organization's bad debt expense that is attributable to patients eligible under the organization's charity care policy is approximately $190,168. This is an estimation of the bad debts that would be eligible for the charity care policy if the patients applied.

Part III, Line 8: Medicare allowable costs of care are based on the Medicare cost report. The Medicare cost report is completed based on the rules and regulations set forth by CMS.

Part III, Line 9b: It is the policy of the WRHS to provide quality health care services to all patients in the region regardless of race, color, creed, or ability to pay. To this end, WRHS offers free and discounted services to patients who lack ability to pay. The WRHS Charity Care Policy, initially approved in June of 2006 and revised in 2011, assures that all eligible patients will receive the care they deserve

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without financial worry. The Finance Committee of the Board of Directors has oversight of the Charity Care Program, approves eligibility criteria, and evaluates program effectiveness. The amount of charity care provided in FY '11 for eligible individuals was $284,281. This amount reflects the amount of charges foregone based on established rates.

If during the check-in registration process for nonemergency care only, the patient is unable to pay the designated co-pay amount their file is immediately referred to the self-pay collections representative or patient account manager to assist with the application to apply for the free or discounted care under the charity care policy.

If the patient is determined to be eligible for financial assistance the hospital requests that they pay, on average, 50% of the payment that will be due. The Hospital does its best to work with patients that cannot afford medical care. The patient account manager will send the bill out after the services are performed, similar to the the billing process that is used for other patients who do not qualify for financial assistance. The Hospital policy is to send the unpaid amounts to collections 45 days after this initial letter; however, the Hospital makes all efforts to work with the patients to collect on the unpaid amount before they actually send it to collections. The patient account manager makes several attempts to make payment arrangements through phone conversations and personal contact with the patient. In regards to non elective and emergency care, once an individual is eligible for charity care, they are eligible for up to six months of charity care under the Hospital's policies. After the six months is over, they may re-submit an application for charity care to extend this for another six months.

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Part I, Line 7e - Community Health Improvement Services and Community Benefit Operations:

Fitness Center:

Description of Activity: This is a fitness center located offsite from the main campus. Access to the center is by key card membership which is open to anyone within the community and surrounding communities. The center is available 24 hours/day; however, the therapy services occupy space in the same building and are available Monday through Friday during normal work hours to supervise and/or maintain fitness center equipment in good working order. The center is equipped with several pieces of fitness equipment (recumbant bikes, tread mills, etc.). Currently,there are approximately 100 active memberships.

Need for Activity: It has been determined through organized community group meetings that a need for a fitness center exists within the community. WRHS has had representation at those community meetings and volunteered to subsidize this activity as part of its mission to provide health and wellness services to the communities it serves. The fitness center has been in existence since 2005; however, over the years, the center has expanded its operations to include several new equipment pieces in an effort to meet the needs of the community group. Physical and occupational therapy staff are also very closely involved and advise/monitor exercise programs for patients who have been through a therapy program.

Objectives: Improve access to fitness and exercise programs, provide fitness and exercise programs at a nominal membership fee, address state

and national initiatives on obesity and other health priorities, advance education and knowledge to the general public on importance of exercise and fitness in personal health.

Total Community Benefit Expense $18,804

Direct Offsetting Revenue $8,270

Net Community Benefit Expense $10,534

Free Health-Related Brochures to Public:

Description of Activity: Informational brochures on specific illnesses and diseases are provided to patients both in the hospital and clinic settings. These brochures contain up-to-date vital information for patient on how to manage a disease/illness as has been determined by physician.

Need for Activity: Need and desire for more information has been expressed on patient satisfaction surveys.

Objectives: Improve access to specific health-related information for patients, advance education and knowledge of the general public.

Total Community Benefit Expense $2,896

Net Community Benefit Expense $2,896

Medical Library:

Description of Activity: Although a very small medical facility, WRHS has long subsidized the maintenance of a medical library available to staff, medical staff, and the general public. The library contains modern medical journals and periodicals as well as MedConsult and MDLearn software

programs on two computers available for public use. The library is used extensively not only by medical staff but also by medical students and high school students as they prepare for science fair projects for medically-related research projects. The library is open 24 hours a day, 7 days a week.

Need for Activity: There has been a long history of collabarative effort between the Hettinger Public School and WRHS. The School has encouraged its students to use the medical library and to work with professional staff as they do their research and/or consider careers in the medical field.

Objectives: Improve access to the public on health-related information, advance education and knowledge to high school level students as they do research and plan for careers in the medical field, encourage collaborative efforts between the local school and medical professionals.

Total Community Benefit Expense $3,096 (this is cost of periodicals/software calculated at 50% public use; all staff costs are also excluded)

Net Community Benefit Expense $3,096

Medication Assistance:

Description of Activity: The medication assistance program is a program subsidized by the Hospital for the benefit of the general public. This began several years ago under the auspices of a federal grant. This program is designed to assist any and all individuals with enrollment in Medicare Part D, as well as to work hand in hand with interested patients in obtaining medications and other pharmaceuticals from drug companies at

reduced rates. Eligible patients must meet specified income guidelines to apply for and be deemed eligible for the reduction. There is a charge of $30 per quarter for those on the program. However, this cost does not fully cover the costs of program administration. There are approximately 60 individuals taking part in this program currently.

Need for Activity: This need originated largely as part of a statewide endeavor to place community resource coodinators into each community across the state. Assessment surveys conducted at that time found a great need for this service in the rural areas of the state. Medicare Part D enrollment and continuance in the program can be very confusing for the elderly and the need to assist is evident.

Objectives: Assist elderly population in Medicare Part D enrollment, provide assistance to eligible population in applying for and obtaining medications and other pharmaceuticals at a discount from retail, provide education and/or assistance in enrollment to other financial assistance programs.

Total Community Benefit Expense $16,748
Direct Offsetting Revenue $8,664
Net Community Benefit Expense $8,084

General Screening/Flu Injection Administration:
Description of Activity: The most attended events in the rural communities served by WRHS are the annual Farm and Home Shows. These Shows are held in three communities each fall--Hettinger, Lemmon, and Bowman. WRHS sends 3-5 staff to man booths at each Show. These staff members will answer general

health questions for the public, provide free blood pressure checks, and administer flu vaccines to those interested. There is a charge of $20 for those receiving flu vaccine and/or WRHS will offer to submit a claim to insurance if the patient is interested. Approximately 220 people took advantage of the flu vaccine administration for this report period.

Need for Activity: The need for flu vaccine and administration thereof is a public and national initiative to improve patient health and prevent spread of serious and contagious flu strains. The need for this activity has been widely proclaimed. The public has expressed appreciation for having this available on an annual basis.

Objectives: A healthier community through administration and disease prevention, provide education on adverse effects if not immunized, prevent contagion of flu within the immediate and surrounding communities.
Total Community Benefit Expense $7,019
Direct Offsetting Revenue $4,400
Net Community Benefit Expense $2,619

Standby Ambulance Services:
Description of Activity: The local ambulance service provides a standby ambulance and two EMS staff at all Hettinger football games, rodeos, and demolition derbies. In addition, they are on call for all high school basketball, wrestling, and volleyball matches in case of emergency injuries. In this reporting period, there were ten events at which standby ambulance was made available. These services are provided free of charge to the community.

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Need for Activity: School officials and the community recognize the risk associated with any contact sport, espeically those of football, rodeo, or derbies. It has been the longstanding tradition of WRHS to provide these services without charge to these not-for-profit entities.

Objectives: Provide emergency and trauma care to participants of area sports, support local sports activities with encouragement toward safety.

Total Community Benefit Expense $1,159

Net Community Beneft Expense $1,159

4th Of July Parade:

Description of Activity: WRHS provided bottles of water for the parade.

Total Community Benefit Expense $425

Net Community Beneft Expense $425

Part VI, Line 2: There is wide representation from across the multi-county region on the WRHS board of directors. Board members routinely provide feedback to administration and board of perceived health care needs within their respective communities. Board members and medical staff are also brought together at the annual board retreat at which time health care needs and services are discussed and become part of the strategic long-range planning process. This discussion will serve as the basis for health care strategic and action planning to develop health policy, allocate resources, improve or expand existing services, implement new programs, and collaborate with other community health care providers.

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Although all members of the 14-member physician group with whom WRHS contracts for professional medical services reside in Hettinger, they travel daily/weekly to community clinics within the region. They have become advocates for each of these communities and represent the community needs to administration and board of directors. While it has been several years since the last formal community needs assessment, WRHS is scheduled to conduct its next needs assessment in the summer of 2011. Intent then is to continue this assessment every three years.

WRHS conducts regular satisfaction surveys with patients who have received hospital/clinic services from WRHS. As part of that survey, patients are asked for their input for improvement and/or to suggest other needed services. WRHS further identifies unmet community health needs by participating in community coalitions, partnerships, boards, committees, advisory groups, and panels locally and within the region.

Based on the above-noted assessment measures, the major community needs identified for 2010 were the need to increase access to quality health care, especially for children, pregnant women, and uninsured adults and seniors; the need to obtain medical care for the underserved by enrolling eligible residents in Medicaid, SCHIP, and other insurance programs, and by building a better system of care for the uninsured; the need to recruit qualified physicians to this underserved area, and the need to provide health education, disease prevention and chronic disease management (including obesity) programs to improve the health status of the communities served.

Part VI, Line 3: It is the mission of West River Health Services

(WRHS) to provide comprehensive health and wellness services to all residents and visitors in the region it serves. These services are offered to all patients regardless of race, color, creed or ability to pay. We are committed to provide quality health care services with compassion and respect, particularly the underinsured and uninsured population. It is the policy of WRHS to provide effective communications with patients regarding hospital bills, to make affirmative efforts to help patients apply for public and private financial support programs, to offer financial support to patients with limited means, to assist low-income patients in a consistent manner, and to maintain fair and consistent billing and collection practices for all patients with patient payment obligations. It is normally at the point of admission that the patient's ability to pay is assessed. Patients who are uninsured and believed to have limited resources are referred to the WRHS Financial Counselor who will determine patient's eligibility for charity care and/or other financial assistance programs. The Financial Counselor will also discuss with the patient the availability of various governmental programs, including Medicaid or other state-funded programs. Where appropriate, the Financial Counselor will assist the patient with qualification and/or application to such programs. Several years ago, WRHS implemented the Good Neighbor Program. This is a program designed to provide financial assistance to underinsured eligible patients throughout the region. Funding for the Program was through a public fundraising campaign. Those funds, along with an annual sustainability contribution by WRHS, have allowed this Program to continue yet today. It is promoted via brochures, newspaper, and the WRHS website. In addition to this Program, patients unable to pay their medical bills are invited to submit an application to the charity care program. Both the Financial Counselor and the Patient Financial Services Manager are readily

Part VI Supplemental Information

available to visit with candidates to this program and to assist in the application process, as appropriate. WRHS informs patients of its financial assistance programs through the WRHS website, brochures available at points of admission and in the Patient Care Handbook located in each patient room. Every effort is made to determine a patient's eligibility prior to or at the time of admission or service. However, determination for financial support can be made during any stage of the patient's stay after stabilization or collection cycle.

WRHS has established a written policy for the billing, collection and support for patients with payment obligations. WRHS makes every effort to adhere to the policy and is committed to applying the policy for assisting patients with limited means in a professional, consistent manner. WRHS educates staff members who work closely with patients (including those working in patient registration and admitting, financial assistance, customer service, billing, and collections) on the policies with an emphasis on treating all patients with dignity and respect regardless of their insurance status or their ability to pay for services. The Financial Counselor is given more in-depth training on handling financial assistance requests, processing of applications, and managing outcomes.

Part VI, Line 4: Hettinger is located in southwestern North Dakota and borders the states of South Dakota and Montana. The City has a population of 1,226 with a total population of 2,343 in Adams County. In addition to the hospital and clinic services located in Hettinger, there are also rural clinics located in New England (Slope County), Bowman and Scranton (Bowman County), and Mott (Hettinger County), all in southwestern North Dakota. Another clinic is located in Lemmon, South Dakota (Perkins

County). In total, West River Health Services provides health care to approximately 37,134 individuals over 25,000 square miles inclusive of the counties named. The average household income for these counties is $28,340, which is considerably below the North Dakota average of $36,502. Twenty-three percent of the population in all counties served is 65 years of age or older. Four hundred thirty-nine families within the service area fall below the federal poverty guidelines for an average of 12.37%. The North Dakota average for families falling below poverty levels is 8.3%. Not included to the above demographics is the City of Dickinson, 75 miles from Hettinger and located in Stark County. It is here that WRHS operates a weekly Foot and Ankle Center. With the exception of Dickinson, all other sites have been designated as medically underserved areas. Health care is an important part of the economy and, as such, the hospital and clinics have become one of the top employers in the region. Approximately 3.5% of all patients served are Medicaid recipients and 5.5% of all patients served are uninsured. There is another hospital and clinic in Bowman, located 40 miles west of Hettinger. There is also a hospital and several other clinics in Dickinson, located 75 northwest of Hettinger. Tertiary referral centers are located 150 miles away in Bismarck, North Dakota, and 180 miles away in Rapid City, South Dakota.

Part VI, Line 5: West River Health Services works with many community programs each year, often partnering with other organizations throughout the service area. The organization was instrumental in the application to and award of a Southwestern Area Healthcare Education Consortium, an outreach effort encompassing the western half of North Dakota. The goal of the SWAHEC is to assist health care providers in their recruitment and retention of health care workers. Quite the contrast to other parts of

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the nation, North Dakota is facing severe shortage of workers in many industries, including health care. Members from our management team stay connected to the communities through their involvement with other community organizations, including membership on numerous community boards and committees. Doing so gives the organization a voice and input into local activities, as well as serves as representation of health activities into each of the communities. West River Health Services has a policy of using any of its surplus funds for improvements that promote a higher level of quality patient care. The organization has long been a promoter of medical education and has enjoyed a longstanding relationship with the University of North Dakota School of Medicine in providing rotation sites for medical students. Physicians within the organization graciously preceptor these students. The board represents members from the community that are neither employees, nor contractors of the organization, nor family members thereof. WRHS extends medical staff privileges to all qualified physicians in its community for all of its departments.

In addition to total uncompensated care for FY '11 of $659,923, WRHS also provides many other services as in-kind support to benefit the health of the communities and region it serves. These community benefits include offering CPR and first aid programs to the general public, guiding tours of the hospital/clinic to area school children, providing health and wellness education classes to the public, educating/training paramedics/EMTs in all outreach communities, sending The Reporter (to inform on health-related issues and to update on educational meetings) quarterly to 12,000 households.

Hettinger has a locally-owned radio station. This station has a program

called TTO (This, That, and Other Things). This program airs daily (M-F). WRHS has a designated hour per month to share information about healthy happenings and to promote general health and well-being. During this reporting period, the following topics were discussed on TTO: influenza precautions and infection control, medication/prescription cards, general wellness and fitness, diabetic education, WIC, etc. WRHS costs shown were for staff time to prepare and participate in the talk show. Community benefit expense in this reporting period was $1,805.

Two of the WRHS OB staff annually teach fourth, fifth and sixth graders at the public school about puberty and its changes for both boys and girls. Hygiene, hormonal changes, and body development phases are a major part of this curriculum. WRHS costs were for staff time to prepare and teach the classes at the school (total of $607). In addition, there were costs of $200 for handouts and supplies given to students. Total costs were $807.

Physicians, mid-levels, and nurses were finding it difficult to keep current records on the medications and dosages patients were taking. In response to this issue, several nurses and the hospital pharmacist met and subsequently designed medication cards to be mass distributed to all patients within the serive area. The wallet-size medication card offers an excellent tool for patients to manage his/her own medications as well as to inform providers of the meds they are currently taking. The core committee also saw a need to educate the public on the importance of keeping current med lists. Several hours were devoted by staff to help in the education of the card use as well as how to fill them out appropriately. The tool has been heartily received by the public. Staff costs involved to this project were $2,919. In addition, there was a cost

of $400 to print the medication cards. Total costs were $3,319.

West River Health Services and the clinics it operates are located in a very sparsely-populated rural area. Transportation for seniors to/from clinic appointments is difficult and expensive. Many seniors often opt to not come for their appointment in light of the cost and inconvenience of getting to the clinic. Recognizing the importance of these patients to keep their appointments and maintain optimal health, WRHS is sharing in the cost for seniors to travel to/from the clinics. Locally-established senior vans are used for this service and WRHS reimburses one-half the cost of the transportation in getting patients to/from clinic and/or hospital services. Costs for this service during this reporting period were $6,164.

For more information about WRHS, visit www.wrhs.com.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**

▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

West River Health Services

Employer identification number

45-0340688

Part I Questions Regarding Compensation

			Yes	No
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 ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)			
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
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?	2		
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. ☒ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☒ Compensation survey or study ☐ Form 990 of other organizations ☒ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		X
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
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?	5a		X
b	Any related organization?	5b		X
	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?	6a		X
b	Any related organization?	6b		X
	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	7		X
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 Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is 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) Retirement and other 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 reportable compensation				
1 Jim Long	(i)	152,082.	0.	0.	10,562.	8,069.	170,713.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 Susan Hallen	(i)	149,726.	0.	0.	4,515.	8,586.	162,827.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2010
Open to Public Inspection

Name of the organization: West River Health Services
Employer identification number: 45-0340688

Part I Bond Issues See Part V for Column (f) Continuations

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pooled financing Yes	(i) Pooled financing No
A	City of Hettinger, North Dakota	45-6002094	None	01/31/08	5,275,000.	Expand & renovate hospital/Hetting		X		X		X
B												
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased				
3	Total proceeds of issue	5,275,000.			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	105,500.			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	5,169,500.			
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2010			

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
14	Were the bonds issued as part of a current refunding issue?		X						
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b Are there any research agreements that may result in private business use of bond-financed property?		X						
c 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?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	.00 %		%		%		%	
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 section 501(c)(3) organization, or a state or local government ▶	.00 %		%		%		%	
6 Total of lines 4 and 5	.00 %		%		%		%	
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

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, 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 governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b Name of provider								
c Term of hedge								
d Was the hedge superintergrated?								
e Was the hedge terminated?								
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						

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K

Schedule K, Part I, Bond Issues:
(a) Issuer Name: City of Hettinger, North Dakota
(f) Description of Purpose: Expand & renovate hospital/Hettinger

SCHEDULE L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

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

OMB No 1545-0047

2010

Open To Public Inspection

Name of the organization

West River Health Services

Employer identification number

45-0340688

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

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	(c) Corrected? No

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

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	(b) Loan to or from the organization? From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) In default? No	(f) Approved by board or committee? Yes	(f) Approved by board or committee? No	(g) Written agreement? Yes	(g) Written agreement? No
Total ▶ $										

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.** **Schedule L (Form 990 or 990-EZ) 2010**

032131 12-21-10

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	(e) Sharing of organization's revenues? No
Jenifer Long	Family member of Ji	35,336.	Compensatio		X
Kathy Ehlers	Family member of Ka	22,595.	Compensatio		X
Penny Wegh	Family member of Da	15,857.	Compensatio		X

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Jenifer Long

(b) Relationship Between Interested Person and Organization:

Family member of Jim Long, CEO

(d) Description of Transaction: Compensation

(a) Name of Person: Kathy Ehlers

(b) Relationship Between Interested Person and Organization:

Family member of Karan Ehlers, CFO

(d) Description of Transaction: Compensation

(a) Name of Person: Penny Wegh

(b) Relationship Between Interested Person and Organization:

Family member of Dale Wegh, Director

(d) Description of Transaction: Compensation

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047
2010
Open to Public Inspection

Name of the organization
West River Health Services

Employer identification number
45-0340688

Form 990, Part I, Doing Business As:

West River Regional Medical Center

Form 990, Part III, Line 4a, Program Service Accomplishments:

with a total of 228 days of care provided. There were a total of 1,023 surgical cases during the year, with 865 of those being done on an outpatient basis. The ambulance crew made 237 ambulance runs/transfers throughout the year. There were 43,847 clinic encounters to the seven clinics. Ancillary services were provided as follows: 199,790 lab tests; 11,977 radiology tests; 8,687 respiratory therapy tests; 41,232 meals to patients, visitors, and employees; and 12,709 therapy visits. Throughout the year, there were 2,142 RHC nurse visits.

It is the policy of the WRHS to provide quality health care services to all patients in the region regardless of race, color, creed or ability to pay. To this end, WRHS offers free and discounted services to patients who lack ability to pay. The WRHS Charity Care Policy, initially approved in June of 2006 with revisions in 2007 and 2010, assures that all eligible patients will receive the care they deserve without financial worry. The Finance Committee of the Board of Directors has oversight of the Charity Care Program, approves eligibility criteria, and evaluates program effectiveness. The amount of charity care provided in FY '11 for eligible individuals was $284,281. These amounts reflect the amount of charges foregone based on established rates.

Name of the organization: West River Health Services

Employer identification number: 45-0340688

Form 990, Part VI, Section A, line 1: There is an Executive Committee that has the authority to transact all regular business of the Corporation during the period between the meetings of the Board of Directors. Minutes of the Executive Committee shall be submitted to the Board and its action shall be subject to the approval or disaproval at the next regular Board meeting. This committee will meet when called by the Chairman. The Executive Committee consists of the Chairman, Vice Chair, Secretary/Treasurer, Past Chairman, Medical Staff Representative of the board, and two other board members.

Form 990, Part VI, Section A, line 6: West River Health Services Foundation is the sole member of the organization.

Form 990, Part VI, Section A, line 7a: As the sole member, WRHS Foundation appoints the board members of WRHS.

Form 990, Part VI, Section A, line 7b: As the sole member, WRHS Foundation approves all amendments to the Articles of Incorporation and Bylaws, determines approved debt levels and approves individual debt transactions that exceed the approved debt levels, approves dissolution or merger of the organization, and approves the sale or transfer of any capital assets having a purchase price or market value greater than $100,000.

Form 990, Part VI, Section B, line 11: The CFO and CEO will review the Form 990 prior to the completed Form 990 being distributed electronically to the board members for their review and comments. The Form 990 is also reviewed and discussed at a board meeting.

Name of the organization: West River Health Services

Employer identification number: 45-0340688

Form 990, Part VI, Section B, Line 12c: All medical staff, employees, and board members are required to disclose any potential conflicts. Potential conflicts are reviewed by the CEO. Individuals with conflicts abstain from voting, and this action is noted in the board minutes.

Form 990, Part VI, Section B, Line 15a: CEO: Each board and medical staff member annually complete an evaluation form on the CEO's performance. The Chairman of Executive Committee tabulates the results and reviews them with the other members of the Executive Committee. The results are presented to the full board of directors who have final authority in determining compensation. Comparability data from the State Hospital Association, as well as other comparative industry information, is used in determining compensation.

CFO: The CEO reviews the CFO's performance and uses comparability data in determining compensation.

All other employees: The administrative staff use comparable data in setting compensation for each level of employee.

Compensation was last reviewed in April of 2010.

Form 990, Part VI, Section C, Line 19: Administrative representatives of the organization will provide the governing board documents, conflict of interest policy, and financial statements upon written or verbal request to administrative representatives of the organization.

Form 990, Part VII: In addition to the hours served at West River

Name of the organization: West River Health Services

Employer identification number: 45-0340688

Health Services, Karan Ehlers serves an additional 10 hours at Western Horizons Living Center (WHLC) and 2 hours at the West River Health Services Foundation (WRHSF); Jim Long serves an additional 2 hours at WHLC and 2 hours at WRHSF; Larry Jackson serves an additioanl 2 hours at WHLC.

Form 990, Part XI, line 5, Changes in Net Assets:

Net unrealized gains on investments:	8,736.
Auxiliary net income change	887.
Total to Form 990, Part XI, Line 5	9,623.

SCHEDULE R (Form 990)
Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2010
Open to Public Inspection

Name of the organization
West River Health Services

Employer identification number
45-0340688

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year)

(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	(g) Section 512(b)(13) controlled entity? Yes	(g) No
Western Horizons Living Centers - 26-0794602 1104 Highway 12 Hettinger, ND 58369	Long-term care/assisted living services	North Dakota	501(c)(3)	9	West River Health Services Foundation		X
West River Health Services Foundation - 45-0411825, 1000 Highway 12, Hettinger, ND 58639	Fundraising	North Dakota	501(c)(3)	11a	N/A		X

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) Disproportionate allocations? No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) General or managing partner? No	(k) Percentage ownership

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

			Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule				
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 or **(iv)** rent from a controlled entity	1a			X
b Gift, grant, or capital contribution to other organization(s)	1b			X
c Gift, grant, or capital contribution from other organization(s)	1c		X	
d Loans or loan guarantees to or for other organization(s)	1d			X
e Loans or loan guarantees by other organization(s)	1e			X
f Sale of assets to other organization(s)	1f			X
g Purchase of assets from other organization(s)	1g			X
h Exchange of assets	1h			X
i Lease of facilities, equipment, or other assets to other organization(s)	1i		X	
j Lease of facilities, equipment, or other assets from other organization(s)	1j			X
k Performance of services or membership or fundraising solicitations for other organization(s)	1k			X
l Performance of services or membership or fundraising solicitations by other organization(s)	1l			X
m Sharing of facilities, equipment, mailing lists, or other assets	1m		X	
n Sharing of paid employees	1n		X	
o Reimbursement paid to other organization for expenses	1o			X
p Reimbursement paid by other organization for expenses	1p		X	
q Other transfer of cash or property to other organization(s)	1q			X
r Other transfer of cash or property from other organization(s)	1r			X

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations? Yes	(d) No	(e) Share of end-of-year assets	(f) Disproportionate allocations? Yes	(f) No	(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner? Yes	(h) No

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print File by the extended due date for filing your return See instructions	Name of exempt organization	Employer identification number
	West River Health Services	45-0340688
	Number, street, and room or suite no If a P O. box, see instructions 1000 Highway 12	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions Hettinger, ND 58639	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ Karan Ehlers 1000 Highway 12 - Hettinger, ND 58639
  Telephone No. ▶ (701) 567-6150 FAX No ▶ (701) 567-6361
- If the organization does not have an office or place of business in the United States, check this box ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ▶ ☐. If it is for part of the group, check this box ▶ ☐ and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until February 15, 2012

5 For calendar year _____, or other tax year beginning APR 1, 2010, and ending MAR 31, 2011.

6 If the tax year entered in line 5 is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension
Additional time is needed to gather necessary information in order to file a complete and accurate return.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$	0.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$	0.
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	8c	$	0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Title ▶ CPA Date ▶

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print	Name of exempt organization	Employer identification number
File by the extended due date for filing your return See instructions	West River Health Services	45-0340688
	Number, street, and room or suite no. If a P.O. box, see instructions. 1000 Highway 12	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Hettinger, ND 58639	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
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STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

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6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

7 State in detail why you need the extension
Additional time is needed to gather necessary information in order to file a complete and accurate return.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$	0.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$	0.
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$	0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ [signature] Title ▶ CPA Date ▶ 11-7-11

SV 11/7/11 paper filed 14244
KB 11/8/11

Consolidated Financial Statements
March 31, 2011 and 2010

West River Health Services Foundation and Subsidiaries

www.eidebailly.com

West River Health Services Foundation and Subsidiaries

Table of Contents
March 31, 2011 and 2010

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

The Board of Directors
West River Health Services Foundation and Subsidiaries
Hettinger, North Dakota

We have audited the accompanying consolidated balance sheets of West River Health Services Foundation and Subsidiaries as of March 31, 2011 and 2010, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we do not express such an opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of West River Health Services Foundation and Subsidiaries as of March 31, 2011 and 2010, and the results of their operations, changes in net assets, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Eide Bailly LLP

Fargo, North Dakota
July 27, 2011

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	2011	2010
Assets		
Current Assets		
Cash and cash equivalents	$ 3,356,306	$ 4,114,650
Receivables		
Patient and resident, net of estimated uncollectibles of $1,740,000 in 2011 and $1,866,000 in 2010	4,146,196	3,737,579
Estimated third-party payor settlements	380,000	143,000
Other	104,933	103,871
Supplies	586,508	516,612
Prepaid expenses	203,802	218,847
Total current assets	8,777,745	8,834,559
Assets Limited as to Use		
By donors for scholarships	120,037	114,891
Under trust agreement for deferred compensation	1,828,367	1,634,935
Total assets limited as to use	1,948,404	1,749,826
Property and Equipment	13,975,236	13,850,008
Other Assets		
Investments	4,927,988	4,914,101
Rental property, net of accumulated depreciation of $801,757 in 2011 and $740,487 in 2010	1,067,734	1,145,565
Pledges receivable	144,385	327,026
Deferred financing costs, net of accumulated amortization of $27,199 in 2011 and $18,813 in 2010	105,287	113,673
Other	751,015	743,907
Total other assets	6,996,409	7,244,272
Total assets	$ 31,697,794	$ 31,678,665

See Notes to Consolidated Financial Statements

West River Health Services Foundation and Subsidiaries
Consolidated Balance Sheets
March 31, 2011 and 2010

	2011	2010
Liabilities and Net Assets		
Current Liabilities		
Notes payable	$ 450,050	$ 450,050
Current maturities of long-term debt	346,739	329,839
Accounts payable	1,038,625	783,478
Construction payable	32,619	456,903
Accrued expenses		
Paid personal leave	719,897	651,768
Salaries and wages	328,728	287,513
Payroll taxes and other	103,568	111,612
Total current liabilities	3,020,226	3,071,163
Annuities Payable	112,976	114,392
Deferred Compensation	1,828,367	1,634,935
Long-Term Debt, Less Current Maturities	5,785,540	6,132,278
Total liabilities	10,747,109	10,952,768
Net Assets		
Unrestricted	19,136,864	18,990,011
Temporarily restricted	1,813,821	1,735,886
Total net assets	20,950,685	20,725,897
Total liabilities and net assets	$ 31,697,794	$ 31,678,665

West River Health Services Foundation and Subsidiaries

Consolidated Statements of Operations
Years Ended March 31, 2011 and 2010

	2011	2010
Unrestricted Revenues, Gains and Other Support		
Net patient and resident service revenue	$ 26,287,542	$ 26,110,021
Other revenue	713,872	815,118
Total revenues, gains and other support	27,001,414	26,925,139
Expenses		
Salaries	10,083,799	9,895,783
Purchased services	6,220,764	6,759,278
Supplies	3,329,737	3,216,747
Employee benefits	2,894,004	2,785,412
Depreciation and amortization	1,292,992	1,309,119
Provision for bad debts	638,375	912,468
Minor equipment and other	589,576	693,816
Repairs and maintenance	511,334	493,021
Utilities	612,351	548,193
Rent	86,984	109,146
Education and travel	199,151	206,765
Interest	335,628	319,688
Physician recruitment	126,380	128,699
Insurance	215,531	198,012
Trust and annuity payments	14,504	14,536
Contributions and grants	38,143	46,770
Total expenses	27,189,253	27,637,453
Operating Loss	(187,839)	(712,314)
Other Income (Loss)		
Investment income	190,395	219,498
Gain on insurance proceeds	12,757	-
Loss on disposal of rental property	(12,639)	-
Other	67,401	197,572
Other income, net	257,914	417,070
Revenues in Excess of (Less Than) Expenses	70,075	(295,244)
Change in Unrealized Gains and Losses on Investments	76,778	1,052,019
Increase in Unrestricted Net Assets	$ 146,853	$ 756,775

See Notes to Consolidated Financial Statements

West River Health Services Foundation and Subsidiaries

Consolidated Statements of Changes in Net Assets

Years Ended March 31, 2011 and 2010

	2011	2010
Unrestricted Net Assets		
Revenues in excess of (less than) expenses	$ 70,075	$ (295,244)
Change in unrealized gains and losses on investments	76,778	1,052,019
Increase in unrestricted net assets	146,853	756,775
Temporarily Restricted Net Assets		
Contributions restricted by donors	138,341	74,952
Interest income	4,674	4,574
Net assets released from restrictions	(65,080)	(62,878)
Increase in temporarily restricted net assets	77,935	16,648
Increase in Net Assets	224,788	773,423
Net Assets, Beginning of Year	20,725,897	19,952,474
Net Assets, End of Year	$ 20,950,685	$ 20,725,897

See Notes to Consolidated Financial Statements

West River Health Services Foundation and Subsidiaries

Statements of Cash Flows

Years Ended March 31, 2011 and 2010

	2011	2010
Operating Activities		
Change in net assets	$ 224,788	$ 773,423
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	1,292,992	1,309,119
Depreciation on rental property	73,412	70,944
Gain on insurance proceeds	(12,757)	-
Loss on disposal of rental property	12,639	-
Change in unrealized gains and losses on investments	(76,778)	(1,052,019)
Interest and contributions restricted by donors	(143,015)	(79,526)
Changes in assets and liabilities		
Receivables	(646,679)	483,366
Supplies	(69,896)	(7,559)
Prepaid expenses	15,045	(50,104)
Accounts payable	255,147	(15,526)
Accrued expenses	101,300	102,376
Annuities payable	(1,416)	(1,284)
Net Cash from Operating Activities	1,024,782	1,533,210
Investing Activities		
Purchase and construction of property and equipment	(1,409,834)	(1,222,016)
Increase in assets limited as to use	(5,146)	(38,707)
Decrease in investments and other	55,783	96,889
Decrease in pledges receivable, net	182,641	209,356
Gain on insurance proceeds	12,757	-
Proceeds from disposal of rental property	27,515	-
Purchase of rental property	(35,735)	(28,815)
Net Cash used for Investing Activities	(1,172,019)	(983,293)
Financing Activities		
Repayment of long-term debt	(329,838)	(221,663)
Interest and contributions restricted by donors	143,015	79,526
Decrease in construction payable	(424,284)	(31,835)
Proceeds from long-term debt	-	789,728
Decrease in notes payable	-	(49,950)
Net Cash from (used for) Financing Activities	(611,107)	565,806
Net Increase (Decrease) in Cash and Cash Equivalents	(758,344)	1,115,723
Cash and Cash Equivalents, Beginning of Year	4,114,650	2,998,927
Cash and Cash Equivalents, End of Year	$ 3,356,306	$ 4,114,650
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest, net of capitalized interest of $23,444 in 2010	$ 335,444	$ 325,681

See Notes to Consolidated Financial Statements

Note 1 - Organization and Significant Accounting Policies

Organization and Principles of Consolidation

West River Health Services Foundation (Foundation) is organized to provide fundraising services for its subsidiaries. The Foundation is the sole member of West River Health Services (WRHS), a 25-bed medical acute care hospital and clinic network located in Hettinger, North Dakota, and Western Horizon Living Centers (WHLC), a 54-bed skilled nursing, 6-bed basic care, and 16-unit assisted living facility located in Hettinger, North Dakota.

The accompanying consolidated financial statements include the accounts of the Foundation, WRHS, and WHLC (collectively, the Company). All significant intercompany balances and transactions have been eliminated.

Tax-Exempt Status

The Foundation, WHRS, and WHLC are organized as North Dakota nonprofit corporations and have been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Company undergoes an annual analysis of its various tax positions, assessing the likelihood of these positions being upheld upon examination with relevant tax authorities, as defined by the accounting principles generally accepted in the United States of America. The Company believes that it is compliant with all IRS tax regulations and as of March 31, 2011 has not recorded a tax liability for a tax uncertainty.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value Measurements

The facilities have determined the fair value of certain assets and liabilities in accordance with generally accepted accounting principles, which provides a framework for measuring fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs. The Company applies a fair value which prioritizes the valuation inputs into three broad levels.

Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use and investments.

Patient and Resident Receivables

Patient and resident receivables are uncollateralized patient, resident, and third-party payor obligations. Payments of patient and resident receivables are allocated to the specific claims identified on the remittance advice or, if unspecified, are applied to the earliest unpaid claim.

The carrying amount of patient and resident receivables is reduced by a valuation allowance that reflects management's estimate of amounts that will not be collected from patients, residents, and third-party payors. Management reviews patient and resident receivables by payor class and applies percentages to determine estimated amounts that will not be collected from third parties under contractual agreements and amounts that will not be collected from patients and residents due to bad debts. Management considers historical write off and recovery information in determining the estimated bad debt provision.

Supplies

Supplies are stated at lower of cost (first-in, first-out) or market.

Assets Limited as to Use

Assets limited as to use include assets designated by donors for scholarships and assets held under a trust agreement.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheet. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in revenues in excess of (less than) expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses are excluded from revenues in excess of (less than) expenses unless the investments are trading securities.

Property and Equipment

Property and equipment acquisitions in excess of $5,000 for WRHS and the Foundation and $1,000 for WHLC are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed on the straight-line method. The estimated useful lives of property and equipment are as follows:

Land improvements	5-20 years
Buildings and fixed equipment	5-40 years
Movable equipment	5-25 years

Gifts of long-lived assets such as land, buildings, or equipment are reported as additions to unrestricted net assets and are excluded from revenues in excess of (less than) expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted net assets. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when donated or acquired long-lived assets are placed in service.

Rental Property

Rental property consists of certain property that is not used in operations and is available for rental to third parties. Rental income, net of depreciation expense on this property, is recorded as other revenue.

Pledges Receivable

Unconditional promises to give with payments due in future periods (i.e. pledges receivable) are reported at the expected future receipts less an allowance for estimated uncollectible amounts. Pledges are treated as temporarily restricted net assets until collected (inherent time restriction), unless the donor intended the pledge to be used to support specific activities of the current period. Pledges intended to support current activities are recorded as unrestricted support in the period the promise is received.

Deferred Financing Costs

Deferred financing costs are amortized over the period the related obligations are outstanding using the straight-line method.

Resident Trust Funds and Security Deposits

WHLC acts as custodian for the funds of the nursing facility residents. These funds are included in cash and accounts payable in the financial statements. Resident trust funds totaled $3,011 and $1,809 at March 31, 2011 and 2010.

Annuities

Charitable gift annuities are recorded as a liability at the present value of amounts which are expected to be paid to the donor over their remaining life. The difference between the actual gift and the estimated liability is recorded as revenue in the year received.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Company has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Company in perpetuity. At March 31, 2011 and 2010, the Company did not have any permanently restricted net assets.

Revenues in Excess of (Less than) Expenses

Revenues in excess of (less than) expenses excludes unrealized gains and losses on investments other than trading securities, transfers of assets to and from related parties for other than goods and services, and contributions of long-lived assets, including assets acquired using contributions which were restricted by donors.

Net Patient and Resident Service Revenue

The Company has agreements with third-party payors that provide for payments to the Company at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient and resident service revenue is reported at the estimated net realizable amounts from patients, residents, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Charity Care

To fulfill its mission of community service, the Company provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Company does not pursue collection of amounts determined to qualify as charity care, they are not reported as patient and resident service revenue.

Donor-restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When donor stipulated time restrictions or purpose restrictions are met or accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the statement of operations.

Advertising Costs

Costs incurred for producing and distributing advertising are expensed as incurred. The Company incurred $68,141 and $68,278 for advertising costs during the years ended March 31, 2011 and 2010.

Reclassifications

Certain items in the prior year financial statements have been reclassified for comparability purposes with the current year financial statements. These reclassifications did not affect the financial position or changes in assets as previously reported.

Note 2 - Charity Care

The Company maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy and equivalent service statistics. The amount of charges foregone, based on established rates, was $284,281 in 2011 and $183,120 in 2010.

Note 3 - Net Patient and Resident Service Revenue

The Company has agreements with third-party payors that provide for payments to the Company at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare. WRHS is licensed as a critical access hospital (CAH). WRHS is reimbursed for most inpatient and outpatient services at cost plus one percent with final settlement determined after submission of annual cost reports by WRHS subject to audits thereof by the Medicare intermediary. WRHS' Medicare cost reports have been audited by the Medicare fiscal intermediary through March 31, 2009. Services provided as part of WRHS' home health program are paid on a prospectively determined rate per episode of care or visit, depending on the services provided. Clinical services are paid on a fixed fee schedule or on a cost related basis for rural health clinic services.

Medicaid. Inpatient and outpatient hospital services provided to Medicaid program beneficiaries are paid on a cost related basis. Inpatient services are reimbursed using Medicare interim per diem rates, decreased by one percent, and outpatient services are paid at the Medicare interim payment rates. Final cost settlements are determined based on the audited Medicare cost report. Clinical services are paid on a fixed schedule

Blue Cross. Inpatient services rendered to Blue Cross subscribers are paid at prospectively determined rates per discharge. Outpatient services are reimbursed at outpatient payment fee screens or at charges less a prospectively determined discount. The prospectively determined discount is not subject to retroactive adjustment. Clinical services are paid on a fixed fee schedule.

WRHS has also entered into payment agreements with certain commercial insurance carriers and other organizations. The basis for payment to WRHS under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Laws and regulations governing the Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Net patient services revenues for the years ended March 31, 2011 and 2010 increased approximately $50,400 and $279,000 due to changes in estimates and final settlements of prior year cost reports.

WHLC is reimbursed for long-term care and basic care resident services at established billing rates which are determined on a cost-related basis subject to certain limitations as prescribed by North Dakota Department of Human Services regulations. These rates are subject to retroactive adjustment by field audit. WHLC participates in the Medicare program for which payment for services is made on a prospectively determined per diem rate that varies based on a case-mix adjusted resident classification system.

Resident service revenue from the assisted living facility is reported at established billing rates as determined by WHLC's management and Board of Directors.

A summary of patient and resident service revenue and contractual adjustments as of March 31, 2011 and 2010 is as follows:

	2011	2010
Total patient and resident service revenue	$ 36,997,462	$ 37,139,372
Contractual adjustments		
Medicare	(7,287,651)	(7,383,408)
Blue Cross Blue Shield	(575,269)	(620,172)
Medicaid	(1,466,352)	(1,696,947)
Other	(1,380,648)	(1,328,824)
Total contractual adjustments	(10,709,920)	(11,029,351)
Net patient and resident service revenue	$ 26,287,542	$ 26,110,021

Note 4 - Investments and Investment Income

Assets Limited as to Use

The composition of assets limited as to use at March 31, 2011 and 2010 is shown in the following tables. Investments are stated at fair value.

	2011	2010
By donors for scholarships		
Mutual funds	$ 110,367	$ 105,555
Bonds and notes	9,670	9,336
	$ 120,037	$ 114,891
Under trust agreement for deferred compensation		
Cash and cash equivalents	$ 81,000	$ 84,000
Mutual funds	1,747,367	1,550,935
	$ 1,828,367	$ 1,634,935

Investments

The composition of investments, which is stated at fair value, includes the following at March 31, 2011 and 2010:

	2011	2010
Cash and other investments	$ 743,841	$ 802,551
Certificates of deposit	1,019,770	976,099
Bonds and notes	1,054,737	1,026,483
Mutual funds	1,067,044	1,188,289
Stocks	1,042,596	920,679
	$ 4,927,988	$ 4,914,101

Investments in Unrealized Gain (Loss) Position

Investments in an unrealized gain (loss) position at March 31, 2011 and 2010 are shown in the following table:

	2011			
	Fair Value	Unrealized Losses	Fair Value	Unrealized Gains
Certificates of deposit	$ -	$ -	$ 1,019,770	$ 4,911
Bonds and notes	939,858	(26,111)	124,549	12,594
Mutual funds	484,814	(144,701)	2,439,964	812,271
Stocks	79,564	(32,714)	963,032	773,198
	$ 1,504,236	$ (203,526)	$ 4,547,315	$ 1,602,974

	2010			
	Fair Value	Unrealized Losses	Fair Value	Unrealized Gains
Certificates of deposit	$ -	$ -	$ 976,099	$ 32,090
Bonds and notes	800,537	(51,725)	235,282	6,282
Mutual funds	442,168	(84,295)	2,402,611	613,763
Stocks	56,039	(38,627)	864,640	786,072
	$ 1,298,744	$ (174,647)	$ 4,478,632	$ 1,438,207

The duration of the investments in an unrealized loss position at March 31, 2011 are shown in the following table.

	Greater than 12 Months		Less than 12 Months	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Bonds and notes	$ 629,449	$ (15,938)	$ 310,409	$ (10,173)
Mutual funds	296,165	(85,224)	188,649	(59,477)
Stocks	44,483	(31,268)	35,081	(1,446)
	$ 970,097	$ (132,430)	$ 534,139	$ (71,096)

The unrealized losses on the Foundation's investments in bonds and notes and mutual funds were primarily a result of market declines consistent with the cyclical nature of the financial markets. The Foundation has a diversified portfolio of investments. The Foundation investments in an unrealized loss position consist of several investments in various market sectors. Based on that evaluation and the Foundation's ability and intent to hold those investments for a reasonable period of time sufficient for a forecasted recovery of fair value, the Foundation does not consider those investments to be other-than-temporarily impaired at March 31, 2011.

Investment Income

Investment income and gains on assets limited as to use, cash equivalents, and investments consist of the following for the years ended March 31, 2011 and 2010:

	2011	2010
Other income		
Interest and dividends	$ 190,395	$ 219,498
Other changes in unrestricted net assets		
Change in unrealized gains and losses on investments	$ 76,778	$ 1,052,019

Note 5 - Property and Equipment

A summary of property and equipment at March 31, 2011 and 2010 follows:

	2011		2010	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	$ 212,760	$ -	212,760	$ -
Land improvements	592,873	336,620	592,873	304,591
Buildings and fixed equipment	17,972,665	6,829,293	16,283,078	6,184,404
Major movable equipment	10,556,289	8,193,438	9,941,237	7,834,589
Construction in progress	-	-	1,143,644	-
	$ 29,334,587	$ 15,359,351	$ 28,173,592	$ 14,323,584
Net property and equipment		$ 13,975,236		$ 13,850,008

Note 6 - Other Assets

Other assets consist of the following at March 31, 2011 and 2010:

	2011	2010
Property and equipment	$ 560,736	$ 560,736
Academic loans receivable	79,531	76,488
Cash surrender value of life insurance	109,611	105,390
Other	1,137	1,293
	$ 751,015	$ 743,907

Note 7 - Pledges Receivable

The Foundation has received pledges from organizations and individuals. Certain pledges are receivable over a period of time. The following is a summary of pledges receivable:

	2011	2010
Current pledges receivable	$ 105,160	$ 184,304
Amounts receivable in one to five years	39,225	142,722
	$ 144,385	$ 327,026

Note 8 - Notes Payable and Long-Term Debt

Notes payable consists of:

	2011	2010
5.5% note payable to bank, due March 2012, secured by certain property and assignment of rents	$ 250,050	$ 250,050
3.5% note payable to bank, due in one principal payment of $100,000 plus accrued interest not yet paid due May 2011, secured by certificate of deposit	100,000	100,000
3.7% note payable to bank, due in one principal payment of $100,000 plus accrued interest not yet paid due November 2011, secured by certificate of deposit	100,000	100,000
	$ 450,050	$ 450,050

Long-term debt consists of:

	2011	2010
4.93% Senior Housing Revenue Note of 1996, due in monthly installments of $6,788 including interest, to August 2012, secured by property and equipment	$ 105,121	$ 179,405
4.875% Hospital Facilities Revenue Bonds, Series 2008, due in monthly installments of $31,824 to January 2033, secured by property and equipment (1)	5,125,578	5,254,170
5.2% Municipal Industrial Development Act Revenue Refunding Bonds, Series A, due in monthly installments of $7,247 including interest, to December 2022, secured by building and equipment (2)	756,401	802,167
5.2% Municipal Industrial Development Act Revenue Refunding Bonds, Series B, due in monthly installments of $7,599 including interest, to December 2012, secured by equipment (2)	145,179	226,375
	6,132,279	6,462,117
Less current maturities	(346,739)	(329,839)
Long-term debt, less current maturities	$ 5,785,540	$ 6,132,278

(1) The Hospital Facilities Revenue Bonds, Series 2008, have a variable interest rate that will adjust in July 2020 to the ten-year LIBOR swap rate, with a ceiling of 6.875 percent and a floor of 3.875 percent.

(2) The Municipal Industrial Act Revenue Refunding Bonds have a variable interest rate that adjusts every 60 months. The next rate adjustment is scheduled in December 2011. The rate equals the Five Year U.S. Treasury Note rate plus 50 basis points at the time the rate adjusts.

Year Ending March 31,	Amount
2012	$ 346,739
2013	279,271
2014	202,384
2015	212,697
2016	223,463
Thereafter	4,867,725
Total	$ 6,132,279

Note 9 - Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at March 31, 2011 and 2010:

	2011	2010
Building project	$ 1,514,248	$ 1,507,243
Scholarships	188,157	101,013
Good Neighbor Project	12,762	28,991
Partners in Health	23,638	28,448
Purchase of equipment		
Lifeline	4,480	5,956
Ambulance	35,188	32,955
Chapel and other	35,348	31,280
	$ 1,813,821	$ 1,735,886

In 2011 and 2010, net assets were released from donor restrictions by incurring expenditures satisfying the restricted purposes in the amounts of $65,080 and $62,878. These amounts are included in net assets released from restrictions in the accompanying financial statements.

Note 10 - Employee Benefit Plans

Retirement Plan

The Company has a tax deferred annuity plan under which employees may elect to participate upon completion of 1,000 hours of service per year. Employee contributions of 3 percent and employer contributions of 3 percent to 5 percent of annual compensation are deposited with the trustee who invests the plan assets. Total employer retirement plan expense for the years ended March 31, 2011 and 2010 was $313,329 and $329,544.

Deferred Compensation Plan

The Foundation has a deferred compensation plan for the benefit of key employees. The Foundation deposits up to $6,000 annually per individual covered under this plan (amount dependent upon individual contracts). All of the deferred compensation, including interest, shall be paid to the individual or the individual's estate upon reaching age 55, death, or permanent disability. The expense charged to operations in 2011 and 2010 for such future obligations was $81,000 and $84,000.

Note 11 - Concentrations of Credit Risk

The Company grants credit without collateral to its patients and residents, most of whom are local citizens and are insured under third party payor agreements. The mix of receivables from patients, residents, and third-party payors at March 31, 2011 and 2010 was as follows:

	2011	2010
Medicare	33%	27%
Blue Cross and other commercial insurances	22%	18%
Medicaid	6%	6%
Other third-party payors and patients	39%	49%
	100%	100%

The Company's cash balances are maintained in various bank deposit accounts. At various times during the year, the balances of these deposits may be in excess of federally insured limits.

Note 12 - Functional Expenses

The Company provides healthcare services to residents within its geographic location. Expenses related to providing these services by functional classification for the years ended March 31, 2011 and 2010 are as follows:

	2011	2010
Patient and resident health care services	$ 23,458,487	$ 23,835,084
General and administrative (includes fundraising)	3,730,766	3,802,369
	$ 27,189,253	$ 27,637,453

Note 13 - Fair Value of Assets and Liabilities

Assets and liabilities measured at fair value on a recurring basis at March 31, 2011 and 2010 are as follows:

	2011	2010
Certificates of deposit	$ 534,911	$ 592,699
Bonds and notes	1,064,407	1,035,819
Mutual funds	2,924,778	2,844,779
Stocks	1,042,596	920,679
	$ 5,566,692	$ 5,393,976

The related fair values of these assets are determined as follows:

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
March 31, 2011			
Certificates of deposit			
Financial	$ 534,911	$ -	$ -
Bonds and notes			
Financial	$ 555,405	$ -	$ -
Corporate	318,069	-	-
Municipal	82,262	-	-
Insurance	60,544	-	-
Utilities	48,127	-	-
	$ 1,064,407	$ -	$ -
Mutual funds			
Fixed income	$ 1,040,668	$ -	$ -
Growth allocation	752,407	-	-
Large blend	542,350	-	-
Moderate allocation	287,875	-	-
Conservative allocation	194,478	-	-
Fixed annuity	107,000	-	-
	$ 2,924,778	$ -	$ -

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
March 31, 2011 (continued)			
Stocks			
Insurance	$ 781,568	$ -	$ -
Financial	132,977	-	-
Consumer goods	27,979	-	-
Conglomerates	20,050	-	-
Real estate	30,728	-	-
Health care	22,741	-	-
Other	26,553	-	-
	$ 1,042,596	$ -	$ -

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
March 31, 2010			
Certificates of deposit			
Financial	$ 592,699	$ -	$ -
Bonds and notes			
Financial	$ 418,776	$ -	$ -
Corporate	386,558	-	-
Municipal	127,069	-	-
Insurance	57,440	-	-
Utilities	45,976	-	-
	$ 1,035,819	$ -	$ -

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
March 31, 2010 (continued)			
Mutual funds			
Fixed income	$ 786,162	$ -	$ -
Growth allocation	659,205	-	-
Large blend	778,882	-	-
Moderate allocation	289,957	-	-
Conservative allocation	227,281	-	-
Fixed annuity	103,292	-	-
	$ 2,844,779	$ -	$ -
Stocks			
Insurance	$ 803,927	$ -	$ -
Financial	26,850	-	-
Consumer goods	29,059	-	-
Conglomerates	18,200	-	-
Real estate	-	-	-
Health care	20,005	-	-
Other	22,638	-	-
	$ 920,679	$ -	$ -

The fair value for certificates of deposits, bonds and notes, mutual funds, and stocks is determined by reference to quoted market prices.

Note 14 - Regional Network Affiliation Support

WRHS receives support from an affiliated health care entity to help cover certain expenses of its clinics.

Note 15 - Contingencies

Malpractice

WRHS and WHLC have malpractice insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of $1 million per claim and an annual aggregate limit of $3 million. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, will be uninsured.

Litigations, Claims, and Other Disputes

The Company is subject to the usual contingencies in the normal course of operations relating to the performance of its tasks under its various programs. In the opinion of management, the ultimate settlement of litigation, claims, and disputes in process will not be material to the financial position of the Company.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services. Management believes that the Company is in substantial compliance with current laws and regulations.

Note 16 - Subsequent Events

The Company has evaluated subsequent events through July 27, 2011, the date which the financial statements were available to be issued.

Consolidating Information
March 31, 2011 and 2010

West River Health Services Foundation and Subsidiaries

www.eidebailly.com

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Consolidating Information

The Board of Directors
West River Health Services Foundation and Subsidiaries
Hettinger, North Dakota

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The consolidating information beginning on page 24 is presented for purposes of additional analysis of the basic consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies. The consolidating information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Eide Bailly LLP

Fargo, North Dakota
July 27, 2011

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	West River Health Services Foundation	West River Health Services	Western Horizons Living Center
Current Assets			
Cash and cash equivalents	$ 1,652,621	$ 1,621,226	$ 82,459
Receivables			
Patient and resident, net	-	3,773,282	372,914
Estimated third-party payor settlements	-	380,000	-
Related parties	1,003,013	944,287	13,817
Other	29,241	75,692	-
Supplies	3,746	571,913	10,849
Prepaid expenses	-	199,464	4,338
Total current assets	2,688,621	7,565,864	484,377
Assets Limited as to Use			
By donors for scholarships	120,037	-	-
Under trust agreement for deferred compensation	1,828,367	-	-
Total assets limited as to use	1,948,404	-	-
Property and Equipment			
Land	-	90,113	122,647
Land improvements	-	540,103	52,770
Buildings and fixed equipment	-	16,854,092	1,118,573
Major movable equipment	26,348	10,051,821	478,120
	26,348	27,536,129	1,772,110
Accumulated depreciation	(11,757)	(14,615,556)	(732,038)
Net property and equipment	14,591	12,920,573	1,040,072
Other Assets			
Investments	3,048,497	1,879,491	-
Rental property, net	72,528	995,206	-
Pledges receivable	144,385	-	-
Deferred financing costs, net	-	98,856	6,431
Related party receivables	-	600,000	-
Other	751,015	-	-
Total other assets	4,016,425	3,573,553	6,431
Total assets	$ 8,668,041	$ 24,059,990	$ 1,530,880

West River Health Services Foundation and Subsidiaries
Consolidating Balance Sheet - Assets
March 31, 2011

Total	Eliminations	Consolidated
$ 3,356,306	$ -	$ 3,356,306
4,146,196	-	4,146,196
380,000	-	380,000
1,961,117	(1,961,117)	-
104,933	-	104,933
586,508	-	586,508
203,802	-	203,802
10,738,862	(1,961,117)	8,777,745
120,037	-	120,037
1,828,367	-	1,828,367
1,948,404	-	1,948,404
212,760	-	212,760
592,873	-	592,873
17,972,665	-	17,972,665
10,556,289	-	10,556,289
29,334,587	-	29,334,587
(15,359,351)	-	(15,359,351)
13,975,236	-	13,975,236
4,927,988	-	4,927,988
1,067,734	-	1,067,734
144,385	-	144,385
105,287	-	105,287
600,000	(600,000)	-
751,015	-	751,015
7,596,409	(600,000)	6,996,409
$ 34,258,911	$ (2,561,117)	$ 31,697,794

	West River Health Services Foundation	West River Health Services	Western Horizons Living Center
Current Liabilities			
Notes payable	$ 200,000	$ -	$ 250,050
Current maturities of long-term debt	-	213,033	133,706
Accounts payable			
Trade	6,173	947,606	84,846
Related parties	742,685	392,248	226,184
Construction payable	-	32,619	-
Accrued expenses			
Paid personal leave	-	612,937	106,960
Salaries and wages	-	267,636	61,092
Payroll taxes and other	6,012	84,207	13,349
Total current liabilities	954,870	2,550,286	876,187
Annuities Payable	112,976	-	-
Deferred Compensation	1,828,367	-	-
Notes Payable to Related Parties	-	-	1,200,000
Long-Term Debt, Less Current Maturities	-	5,017,666	767,874
Total liabilities	2,896,213	7,567,952	2,844,061
Net Assets			
Unrestricted	3,958,007	16,492,038	(1,313,181)
Temporarily restricted	1,813,821	-	-
Total net assets	5,771,828	16,492,038	(1,313,181)
Total liabilities and net assets	$ 8,668,041	$ 24,059,990	$ 1,530,880

West River Health Services Foundation and Subsidiaries
Consolidating Balance Sheet – Liabilities and Net Assets
March 31, 2011

Total	Eliminations	Consolidated
$ 450,050	$ -	$ 450,050
346,739	-	346,739
1,038,625	-	1,038,625
1,361,117	(1,361,117)	-
32,619	-	32,619
719,897	-	719,897
328,728	-	328,728
103,568	-	103,568
4,381,343	(1,361,117)	3,020,226
112,976	-	112,976
1,828,367	-	1,828,367
1,200,000	(1,200,000)	-
5,785,540	-	5,785,540
13,308,226	(2,561,117)	10,747,109
19,136,864	-	19,136,864
1,813,821	-	1,813,821
20,950,685	-	20,950,685
$ 34,258,911	$ (2,561,117)	$ 31,697,794

	West River Health Services Foundation	West River Health Services	Western Horizons Living Center
Unrestricted Revenues, Gains and Other Support			
Patient and resident service revenue	$ -	$ 33,303,454	$ 3,694,008
Less contractual adjustments	-	(10,565,694)	(144,226)
Net patient and resident service revenue	-	22,737,760	3,549,782
Other revenue	148,377	789,640	18,305
Total revenues, gains, and other support	148,377	23,527,400	3,568,087
Expenses			
Salaries	-	8,192,937	1,890,862
Purchased services	10,380	5,976,418	233,966
Supplies	4,612	2,958,285	366,840
Employee benefits	-	2,256,886	637,118
Depreciation and amortization	800	1,082,413	209,779
Provision for bad debts	-	623,501	14,874
Minor equipment and other	9,114	573,635	6,827
Repairs and maintenance	-	496,017	15,317
Utilities	6,854	448,300	157,197
Rent	-	86,984	92,100
Education and travel	1,303	185,458	12,390
Interest	9,419	260,460	75,168
Physician recruitment	-	126,380	-
Insurance	20,796	194,735	-
Trust and annuity payments	14,504	-	-
Contributions and grants	38,143	-	-
Related party professional services	90,000	-	60,350
Total expenses	205,925	23,462,409	3,772,788
Operating Income (Loss)	(57,548)	64,991	(204,701)
Other Income (Loss)			
Investment income	126,504	73,310	-
Loss on disposal of rental property	-	-	(12,639)
Gain on insurance proceeds	-	-	12,757
Other	-	65,724	1,677
Other income, net	126,504	139,034	1,795
Revenues in Excess of (Less Than) Expenses	68,956	204,025	(202,906)
Change in Unrealized Gains and Losses on Investments	68,042	8,736	-
Increase (Decrease) in Unrestricted Net Assets	$ 136,998	$ 212,761	$ (202,906)

West River Health Services Foundation and Subsidiaries
Consolidating Statement of Operations
Year Ended March 31, 2011

Total	Eliminations	Consolidated
$ 36,997,462	$ -	$ 36,997,462
(10,709,920)	-	(10,709,920)
26,287,542	-	26,287,542
956,322	(242,450)	713,872
27,243,864	(242,450)	27,001,414
10,083,799	-	10,083,799
6,220,764	-	6,220,764
3,329,737	-	3,329,737
2,894,004	-	2,894,004
1,292,992	-	1,292,992
638,375	-	638,375
589,576	-	589,576
511,334	-	511,334
612,351	-	612,351
179,084	(92,100)	86,984
199,151	-	199,151
345,047	(9,419)	335,628
126,380	-	126,380
215,531	-	215,531
14,504	-	14,504
38,143	-	38,143
150,350	(150,350)	-
27,441,122	(251,869)	27,189,253
(197,258)	9,419	(187,839)
199,814	(9,419)	190,395
(12,639)	-	(12,639)
12,757	-	12,757
67,401	-	67,401
267,333	(9,419)	257,914
70,075	-	70,075
76,778	-	76,778
$ 146,853	$ -	$ 146,853

	West River Health Services Foundation	West River Health Services	Western Horizons Living Center
Unrestricted Net Assets			
Revenues in excess of (less than) expenses	$ 68,956	$ 204,025	$ (202,906)
Change in unrealized gains and losses on investments	68,042	8,736	-
Increase (decrease) in unrestricted net assets	136,998	212,761	(202,906)
Temporarily Restricted Net Assets			
Contributions restricted by donors	138,341	-	-
Interest income	4,674	-	-
Net assets released from restrictions	(65,080)	-	-
Increase in temporarily restricted net assets	77,935	-	-
Increase (Decrease) in Net Assets	214,933	212,761	(202,906)
Net Assets, Beginning of Year	5,556,895	16,279,277	(1,110,275)
Net Assets, End of Year	$ 5,771,828	$ 16,492,038	$ (1,313,181)

West River Health Services Foundation and Subsidiaries
Consolidating Statement of Changes in Net Assets
Year Ended March 31, 2011

Total	Eliminations	Consolidated
$ 70,075	$ -	$ 70,075
76,778	-	76,778
146,853	-	146,853
138,341	-	138,341
4,674	-	4,674
(65,080)	-	(65,080)
77,935	-	77,935
224,788	-	224,788
20,725,897	-	20,725,897
$ 20,950,685	$ -	$ 20,950,685

	West River Health Services Foundation	West River Health Services	Western Horizons Living Center
Current Assets			
Cash and cash equivalents	$ 1,458,331	$ 2,632,000	$ 24,319
Receivables			
Patient and resident, net	-	3,372,522	365,057
Estimated third-party payor settlements	-	143,000	-
Related parties	771,842	783,835	19,187
Other	22,801	81,070	-
Supplies	4,356	500,007	12,249
Prepaid expenses	-	208,794	10,053
Total current assets	2,257,330	7,721,228	430,865
Assets Limited as to Use			
By donors for scholarships	114,891	-	-
Under trust agreement for deferred compensation	1,634,935	-	-
Total assets limited as to use	1,749,826	-	-
Property and Equipment			
Land	-	90,113	122,647
Land improvements	-	540,103	52,770
Buildings and fixed equipment	-	15,164,505	1,118,573
Major movable equipment	26,348	9,440,465	474,424
	26,348	25,235,186	1,768,414
Accumulated depreciation	(10,958)	(13,784,740)	(527,886)
	15,390	11,450,446	1,240,528
Construction in progress	-	1,143,644	-
Net property and equipment	15,390	12,594,090	1,240,528
Other Assets			
Investments	2,998,101	1,916,000	-
Rental property, net	72,528	1,031,111	41,926
Pledges receivable	327,026	-	-
Deferred financing costs	-	103,384	10,289
Related party receivable	-	600,000	-
Other	743,907	-	-
Total other assets	4,141,562	3,650,495	52,215
Total assets	$ 8,164,108	$ 23,965,813	$ 1,723,608

West River Health Services Foundation and Subsidiaries
Consolidating Balance Sheet - Assets
March 31, 2010

Total	Eliminations	Consolidated
$ 4,114,650	$ -	$ 4,114,650
3,737,579	-	3,737,579
143,000	-	143,000
1,574,864	(1,574,864)	-
103,871	-	103,871
516,612	-	516,612
218,847	-	218,847
10,409,423	(1,574,864)	8,834,559
114,891	-	114,891
1,634,935	-	1,634,935
1,749,826	-	1,749,826
212,760	-	212,760
592,873	-	592,873
16,283,078	-	16,283,078
9,941,237	-	9,941,237
27,029,948	-	27,029,948
(14,323,584)	-	(14,323,584)
12,706,364	-	12,706,364
1,143,644	-	1,143,644
13,850,008	-	13,850,008
4,914,101	-	4,914,101
1,145,565	-	1,145,565
327,026	-	327,026
113,673	-	113,673
600,000	(600,000)	-
743,907	-	743,907
7,844,272	(600,000)	7,244,272
$ 33,853,529	$ (2,174,864)	$ 31,678,665

	West River Health Services Foundation	West River Health Services	Western Horizons Living Center
Current Liabilities			
Notes payable	$ 200,000	$ -	$ 250,050
Current maturities of long-term debt	-	202,876	126,963
Accounts payable			
Trade	2,768	616,129	164,581
Related parties	649,642	305,388	149,834
Construction payable	-	456,903	-
Accrued expenses			
Paid personal leave	-	549,111	102,657
Salaries and wages	-	237,578	49,935
Payroll taxes and other	5,476	87,852	18,284
Total current liabilities	857,886	2,455,837	862,304
Annuities Payable	114,392	-	-
Deferred Compensation	1,634,935	-	-
Notes Payable to Related Parties	-	-	1,070,000
Long-Term Debt, Less Current Maturities	-	5,230,699	901,579
Total liabilities	2,607,213	7,686,536	2,833,883
Net Assets			
Unrestricted	3,821,009	16,279,277	(1,110,275)
Temporarily restricted	1,735,886	-	-
Total net assets	5,556,895	16,279,277	(1,110,275)
Total liabilities and net assets	$ 8,164,108	$ 23,965,813	$ 1,723,608

West River Health Services Foundation and Subsidiaries
Consolidating Balance Sheet – Liabilities and Net Assets
March 31, 2010

Total	Eliminations	Consolidated
$ 450,050	$ -	$ 450,050
329,839	-	329,839
783,478	-	783,478
1,104,864	(1,104,864)	-
456,903	-	456,903
651,768	-	651,768
287,513	-	287,513
111,612	-	111,612
4,176,027	(1,104,864)	3,071,163
114,392	-	114,392
1,634,935	-	1,634,935
1,070,000	(1,070,000)	-
6,132,278	-	6,132,278
13,127,632	(2,174,864)	10,952,768
18,990,011	-	18,990,011
1,735,886	-	1,735,886
20,725,897	-	20,725,897
$ 33,853,529	$ (2,174,864)	$ 31,678,665

	West River Health Services Foundation	West River Health Services	Western Horizons Living Center
Unrestricted Revenues, Gains and Other Support			
Patient and resident service revenue	$ -	$ 33,225,535	$ 3,913,837
Less contractual adjustments	-	(10,920,526)	(108,825)
Net patient and resident service revenue	-	22,305,009	3,805,012
Other revenue	137,160	896,842	17,254
Total revenues, gains, and other support	137,160	23,201,851	3,822,266
Expenses			
Salaries	-	7,934,109	1,961,674
Purchased services	9,818	5,971,182	778,278
Supplies	4,535	2,758,682	453,530
Employee benefits	-	2,176,143	609,269
Depreciation	600	1,088,387	220,132
Provision for bad debts	-	905,468	7,000
Minor equipment and other	11,845	673,737	8,234
Repairs and maintenance	-	459,838	33,183
Utilities	6,819	384,344	157,030
Rent	-	109,146	92,100
Education and travel	5,825	184,257	16,683
Interest	15,641	235,955	83,733
Physician recruitment	-	128,699	-
Insurance	12,400	185,612	-
Trust and annuity payments	14,536	-	-
Contributions and grants	46,770	-	-
Related party professional services	87,500	-	56,538
Total expenses	216,289	23,195,559	4,477,384
Operating Income (Loss)	(79,129)	6,292	(655,118)
Other Income (Loss)			
Investment income	124,525	110,614	-
Other	-	49,784	147,788
Other income, net	124,525	160,398	147,788
Revenues in Excess of (Less Than) Expenses	45,396	166,690	(507,330)
Change in Unrealized Gains and Losses on Investments	904,717	147,302	-
Increase (Decrease) in Unrestricted Net Assets	$ 950,113	$ 313,992	$ (507,330)

West River Health Services Foundation and Subsidiaries
Consolidating Statement of Operations
Year Ended March 31, 2010

Total	Eliminations	Consolidated
$ 37,139,372	$ -	$ 37,139,372
(11,029,351)	-	(11,029,351)
26,110,021	-	26,110,021
1,051,256	(236,138)	815,118
27,161,277	(236,138)	26,925,139
9,895,783	-	9,895,783
6,759,278	-	6,759,278
3,216,747	-	3,216,747
2,785,412	-	2,785,412
1,309,119	-	1,309,119
912,468	-	912,468
693,816	-	693,816
493,021	-	493,021
548,193	-	548,193
201,246	(92,100)	109,146
206,765	-	206,765
335,329	(15,641)	319,688
128,699	-	128,699
198,012	-	198,012
14,536	-	14,536
46,770	-	46,770
144,038	(144,038)	-
27,889,232	(251,779)	27,637,453
(727,955)	15,641	(712,314)
235,139	(15,641)	219,498
197,572	-	197,572
432,711	(15,641)	417,070
(295,244)	-	(295,244)
1,052,019	-	1,052,019
$ 756,775	$ -	$ 756,775

	West River Health Services Foundation	West River Health Services	Western Horizons Living Center
Unrestricted Net Assets			
Revenues in excess of (less than) expenses	$ 45,396	$ 166,690	$ (507,330)
Change in unrealized gains and losses on investments	904,717	147,302	-
Increase (decrease) in unrestricted net assets	950,113	313,992	(507,330)
Temporarily Restricted Net Assets			
Contributions restricted by donors	74,952	-	-
Interest income	4,574	-	-
Net assets released from restrictions	(62,878)	-	-
Increase in temporarily restricted net assets	16,648	-	-
Increase (Decrease) in Net Assets	966,761	313,992	(507,330)
Net Assets, Beginning of Year	4,590,134	15,965,285	(602,945)
Net Assets, End of Year	$ 5,556,895	$ 16,279,277	$ (1,110,275)

West River Health Services Foundation and Subsidiaries
Consolidating Statement of Changes in Net Assets
Year Ended March 31, 2010

Total	Eliminations	Consolidated
$ (295,244)	$ -	$ (295,244)
1,052,019	-	1,052,019
756,775	-	756,775
74,952	-	74,952
4,574	-	4,574
(62,878)	-	(62,878)
16,648	-	16,648
773,423	-	773,423
19,952,474	-	19,952,474
$ 20,725,897	$ -	$ 20,725,897