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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 07-01-2010 and ending 06-30-2011

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
COOPERSTOWN MEDICAL CENTER

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1200 ROBERTS AVENUE NE

City or town, state or country, and ZIP + 4
COOPERSTOWN, ND 58425

D Employer identification number
45-0227753

E Telephone number
(701) 797-2221

G Gross receipts $ 7,126,331

F Name and address of principal officer
KENNETH SMITH
1200 ROBERTS AVENUE NE
COOPERSTOWN, ND 58425

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 COOPERMC COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1946 | **M** State of legal domicile ND

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROVIDE HEALTH CARE AND NURSING SERVICES TO THE RESIDENTS INCLUDING THE ELDERLY IN THE COOPERSTOWN, NORTH DAKOTA AND SURROUNDING COMMUNITIES REGARDLESS OF THE ABILITY TO PAY

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

Activities & Governance	3 Number of voting members of the governing body (Part VI, line 1a)	3	7
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	7
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	192
	6 Total number of volunteers (estimate if necessary)	6	67
	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

		Prior Year	Current Year
Revenue	8 Contributions and grants (Part VIII, line 1h)	668,349	57,617
	9 Program service revenue (Part VIII, line 2g)	7,044,801	7,049,817
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	12,774	513
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	10,302	16,623
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,736,226	7,124,570
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
	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)	5,082,851	5,360,617
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	2,655,944	2,584,522
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	7,738,795	7,945,139
	19 Revenue less expenses Subtract line 18 from line 12	-2,569	-820,569

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	2,925,658	2,846,852
	21 Total liabilities (Part X, line 26)	3,672,893	4,414,656
	22 Net assets or fund balances Subtract line 21 from line 20	-747,235	-1,567,804

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

****** | 2012-05-16
Signature of officer | Date

KEN SMITH CHIEF FINANCIAL OFFICER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶ ☐	PTIN
RICHARD RUVELSON	RICHARD RUVELSON	2012-05-16		

Firm's name ▶ WIPFLI LLP | Firm's EIN ▶

Firm's address ▶ 7601 FRANCE AVENUE SOUTH SUITE 400
MINNEAPOLIS, MN 55435 | Phone no ▶ (952) 548-3400

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . . . ☑

1 Briefly describe the organization's mission

COOPERSTOWN MEDICAL CENTER IS DEDICATED TO PROVIDING HIGH QUALITY HEALTHCARE SERVICES IN A PERSONALIZED, COMPASSIONATE, AND PROFESSIONAL MANNER

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 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 $ 6,713,740 including grants of $) (Revenue $ 7,049,817)

AN 18-BED CRITICAL ACCESS HOSPITAL IS PRIVATELY LOCATED ON THE SECOND FLOOR OF THE FACILITY HELPING TO RELIEVE THE ADDED STRESS OF EXTENDED TRAVEL, THE ORGANIZATION IS ABLE TO PROVIDE LOCALLY MANY OF THE SERVICES FOUND AT LARGE HOSPITALS THROUGH STRONG AFFILIATIONS WITH MAJOR MEDICAL ORGANIZATIONS, COOPERSTOWN MEDICAL CENTER IS ABLE TO PROVIDE 24-HOUR EMERGENCY SERVICES, OCCUPATIONAL THERAPY, X-RAY AND LABORATORY SERVICES, ELECTROCARDIOGRAPHY, RESPIRATORY THERAPY, INCONTINENCE MANAGEMENT, THERAPY, PHYSICAL THERAPY, SPEECH THERAPY, CARDIAC MONITORING/TELEMETRY, CHEMOTHERAPY, SWING BED, AND HOSPICE CARE THE HOSPITAL HAD 1,157 TOTAL INPATIENT DAYS A 48-BED NURSING FACILITY PROVIDES 24 HOUR CARE FOR INDIVIDUALS WITH DEGENERATIVE CONDITIONS, DEMENTIA, AND A VARIETY OF MEDICALLY COMPLEX CONDITIONS RESIDENTS ARE CARED FOR BY A HIGHLY TRAINED AND SKILLED STAFF OF PROFESSIONALS, WHO ARE , FOR THE MOST PART THEIR FRIENDS, NEIGHBORS, OR FAMILY MEMBERS NURSING HOME CARE IS AVAILABLE FOR LONG-TERM CARE STAYS, CONVALESCENT CARE, AND SHORT-TERM STAYS EMPHASIS IS PLACED ON A RESIDENT'S REMAINING SKILLS, NOT ON LOST SKILLS RESIDENTS ARE ALLOWED TO RETAIN THEIR INDEPENDENCE AND DIGNITY WITH ASSISTANCE TO SUCCEED IN DAILY TASKS THE NURSING HOME HAD 16,842 BED DAYS OF SERVICE FOR INDIVIDUALS THE MEDICAL CLINIC HAS FAMILY PRACTICTIONERS FOCUSING IN ALL MAJOR MEDICAL AREAS RANGING FROM PEDIATRICS TO GERONTOLOGY, INCLUDING GYNECOLOGY, PRENATAL AND BABY CARE THE MEDICAL CLINIC HAD 8,180 CLINIC VISITS DURING THE FISCAL 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** ▶ $ 6,713,740

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	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	2	Yes	
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		No
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	Yes	
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		No
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		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
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	Yes	
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		No
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, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
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		No
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		No
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		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
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	Yes	
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		No
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	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
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		No
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 U S ? *If "Yes," complete Schedule F, Parts II and IV*	15		No
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 U S ? *If "Yes," complete Schedule F, Parts III and IV*	16		No
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 (see instructions)*	17		No
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		No
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		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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**		No
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**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 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**	Yes	
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–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
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**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
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**		No
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**		No
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**	Yes	
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**		No
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**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
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**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
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**		No
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**		No
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**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	**35**		No
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**		No
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**		No
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**	Yes	

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	21		
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		
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	192		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	Yes	
	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		No
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		No
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	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .		5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		5c		
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		No
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		No
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		No
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		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .		7f		No
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? **Note.** See the instructions for additional information the organization must report on Schedule O		13a		
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		No
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 lines 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 . . . . . ☑

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

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		No
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	Yes	
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	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
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	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
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	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	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		No
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 ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

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

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

KENNETH SMITH
1200 ROBERTS AVE NE
COOPERSTOWN, ND 58425
(701) 797-2221

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 . . . . . .☐

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, and **current** key employees 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			
(1) RICK CUSHMAN CHAIRMAN	1 00	X		X				0	0	0
(2) BARRY GETZ VICE CHAIRMAN	1 00	X		X				0	0	0
(3) LISA SALVESEN SECRETARY	1 00	X		X				0	0	0
(4) DONNA EVERS TREASURER	1 00	X		X				0	0	0
(5) JEFF REITEN DIRECTOR	1 00	X						0	0	0
(6) JAYNE OTT DIRECTOR	1 00	X						0	0	0
(7) LYNN JOHNSON DIRECTOR	1 00	X						0	0	0
(8) GREGORY STOMP CEO	40 00			X				90,439	0	7,395
(9) KENNETH SMITH CFO	40 00			X				61,219	0	4,195
(10) BRIAN TWETE NURSE PRACTITIONER	32 00					X		173,928	0	10,113
(11) NORMAN BERTHIAUME NURSE PRACTITIONER	32 00					X		137,216	0	1,942
(12) KEVIN JACOBSON NURSE PRACTITIONER	32 00					X		119,566	0	2,615
(13) JEFFREY PETERSON MD	32 00					X		187,474	0	4,195

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**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								769,842	0	30,455

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 ▶ 4

			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**		No
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**	Yes	
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**		No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

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 ▶ 0

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				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	57,617			
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		57,617			
Program Service Revenue		Business Code				
	2a NET PATIENT & RES REV	623000	6,921,673	6,921,673		
	b OTHER PROGRAM SERVICE	623000	128,144	128,144		
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f . . . . . ▶		7,049,817			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		513			513
	4 Income from investment of tax-exempt bond proceeds . . ▶					
	5 Royalties . . . . . ▶					
		(i) Real / (ii) Personal				
	6a Gross Rents	11,134				
	b Less rental expenses	1,761				
	c Rental income or (loss)	9,373				
	d Net rental income or (loss) . . . . . ▶		9,373			9,373
		(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) . . . . . ▶					
Other Revenue	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					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . ▶					
	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 OTHER REVENUE	900099	7,250			7,250
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a–11d . . . . . ▶		7,250			
	12 **Total revenue.** See Instructions . . . ▶		7,124,570	7,049,817	0	17,136

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				
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	166,926		166,926	
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	4,162,930	3,673,827	489,103	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	46,939	41,424	5,515	
9 Other employee benefits	680,875	600,879	79,996	
10 Payroll taxes	302,947	257,590	45,357	
a Fees for services (non-employees) Management				
b Legal				
c Accounting	63,905		63,905	
d Lobbying				
e Professional fundraising services *See Part IV, line 17*				
f Investment management fees				
g Other	517,703	409,953	107,750	
12 Advertising and promotion	16,542	4,372	12,170	
13 Office expenses	350,468	279,404	71,064	
14 Information technology				
15 Royalties				
16 Occupancy	429,321	354,636	74,685	
17 Travel	22,056	17,374	4,682	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	12,073	9,840	2,233	
20 Interest	120,874	99,847	21,027	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	307,815	254,267	53,548	
23 Insurance	59,411	49,076	10,335	
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 CARE SUPPORT SUPPLIES	528,539	528,539		
b PROVISION FOR BAD DEBT	87,221	87,221		
c OTHER	65,627	45,491	20,136	
d TAXES AND LISCENSES	2,967		2,967	
e				
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	7,945,139	6,713,740	1,231,399	0
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		200	1	200
	2	Savings and temporary cash investments		14,673	2	126,966
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		904,439	4	879,870
	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) Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		100,566	8	105,523
	9	Prepaid expenses and deferred charges		44,850	9	54,897
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 7,887,913			
	b	Less accumulated depreciation	10b 6,231,623	1,839,800	10c	1,656,290
	11	Investments—publicly traded securities			11	
	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		21,130	15	23,106
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		2,925,658	16	2,846,852
Liabilities	17	Accounts payable and accrued expenses		1,453,929	17	1,216,872
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		1,588,317	20	1,514,460
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		17,563	21	15,397
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	328,059
	23	Secured mortgages and notes payable to unrelated third parties		562,140	23	650,029
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		50,944	25	689,839
	26	**Total liabilities.** Add lines 17 through 25		3,672,893	26	4,414,656
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		-747,235	27	-1,567,804
	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		-747,235	33	-1,567,804
	34	Total liabilities and net assets/fund balances		2,925,658	34	2,846,852

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	7,124,570
2	Total expenses (must equal Part IX, column (A), line 25)	2	7,945,139
3	Revenue less expenses Subtract line 2 from line 1	3	-820,569
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	-747,235
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0
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	-1,567,804

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 ☑ 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		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 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	Yes	
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 ☐ Both consolidated and separated 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		No
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		

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SCHEDULE A (Form 990 or 990EZ)

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
COOPERSTOWN MEDICAL CENTER

Employer identification number
45-0227753

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 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 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 for 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 the 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 section501(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 ▶☐

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ Complete if the organization is described below.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	Employer identification number
COOPERSTOWN MEDICAL CENTER	45-0227753

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ☐ if the filing organization belongs to an affiliated group
B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		633
j	Total lines 1c through 1i			633
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

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

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
EXPLANATION OF OTHER LOBBYING ACTIVITIES	PART II-B, LINE 1I	THE ORGANIZATION IS A MEMBER OF NORTH DAKOTA LONG TERM CARE ASSOCIATION (NDLTCA) A PORTION OF THE ORGANIZATION'S DUES ARE FOR LOBBYING ACTIVITIES BY NDLTCA

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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
COOPERSTOWN MEDICAL CENTER

Employer identification number
45-0227753

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 may 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 pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

			Held at the End of the Year
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	2d	

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, 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 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

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

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

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

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

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

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

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

- a ☐ Public exhibition
- 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	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

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

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or 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 Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		133,277		133,277
b Buildings		6,132,966	5,027,675	1,105,291
c Leasehold improvements				
d Equipment		1,502,215	1,203,948	298,267
e Other		119,455		119,455
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				1,656,290

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		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

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

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

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

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
CAPITAL LEASE OBLIGATIONS	26,839
DUE TO THIRD PARTY REIMBURSEMENT PROGRAMS	663,000
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	689,839

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 (ASC740)

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
	PART IV, LINE 2B	THE ORGANIZATION HOLDS FUNDS IN TRUST FOR RESIDENTS
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	IN ORDER TO ACCOUNT FOR ANY UNCERTAIN TAX POSITIONS, ASC TOPIC 740-10, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, REQUIRES AN ORGANIZATION TO ASSESS WHETHER IT IS MORE LIKELY THAN NOT THAT A TAX POSITION WILL BE SUSTAINED UPON EXAMINATION OF THE TECHNICAL MERITS OF THE POSITION, ASSUMING THE TAXING AUTHORITY HAS FULL KNOWLEDGE OF ALL INFORMATION IF THE TAX POSITION DOES NOT MEET THE MORE-LIKELY-THAN-NOT RECOGNITION THRESHOLD, THE BENEFIT OF THE TAX POSITION IS NOT RECOGNIZED IN THE FINANCIAL STATEMENTS MANAGEMENT DOES NOT BELIEVE THE ORGANIZATION HAS ANY MATERIAL UNCERTAIN TAX POSITIONS OR UNRECOGNIZED TAX BENEFITS FEDERAL AND STATE RETURNS FOR TAX YEARS 2007 AND SUBEQUENT YEARS REMAIN SUBJECT TO EXAMINATION BY MAJOR TAX JURISDICTIONS

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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
COOPERSTOWN MEDICAL CENTER

Employer identification number
45-0227753

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	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☑ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . . ☐ 200% ☑ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	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	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? . . .	5a		No
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		
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 eligibile for free or discounted care?	5c		
6a	Does the organization prepare a community benefit report during the tax year?	6a		No
6b	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)			4,093		4,093	0 050 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			2,101,885	1,956,654	145,231	1 850 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			2,105,978	1,956,654	149,324	1 900 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			2,873		2,873	0 040 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			2,821		2,821	0 040 %
j **Total** Other Benefits			5,694		5,694	0 080 %
k **Total.** Add lines 7d and 7j			2,111,672	1,956,654	155,018	1 980 %

Part II **Community Building Activities** during the tax year, and describe in Part VI how its 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						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**						

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			No
2	Enter the amount of the organization's bad debt expense (at cost)	2	87,221		
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	4,672		
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	697,304		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	1,040,739		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-343,435		
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	Does the organization have a written debt collection policy?	9a		Yes	
b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI	9b			No

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 %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

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	COOPERSTOWN MEDICAL CENTER 1200 ROBERTS AVE NE COOPERSTOWN, ND 58425	X				X		X		

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? _____

Name and address	Type of Facility (Describe)
1	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the description 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

Identifier	ReturnReference	Explanation
		PART I, LINE 7 THE ORGANIZATION USES A COST TO CHARGES METHODOLOGY AS DETERMINED BY THE MEDICARE COST REPORT

Identifier	ReturnReference	Explanation
		PART I, LINE 7G SUBSIDIZED HEALTH SERVICES INCLUDE INPATIENT, OUTPATIENT, SWINGBED, RESPITE CARE, MOBILE DIAGNOSTIC, PHARMACY, AND THERAPY OF THE HOSPITAL, CLINIC, AND NURSING HOME

Identifier	ReturnReference	Explanation
		PART I, LINE 7, COLUMN (F) THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $ 87221

Identifier	ReturnReference	Explanation
		PART II N/A

Identifier	ReturnReference	Explanation
		PART III, LINE 4 MANAGEMENT PROVIDES FOR CONTRACTUAL ADJUSTMENTS UNDER TERMS OF THIRD-PARTY REIMBURSEMENT AGREEMENTS THROUGH A REDUCTION OF GROSS REVENUE AND A CREDIT TO PATIENT OR RESIDENT ACCOUNTS RECEIVABLE IN ADDITION, MANAGEMENT PROVIDES FOR PROBABLE UNCOLLECTIBLE AMOUNTS, PRIMARILY FROM UNINSURED PATIENTS AND RESIDENTS AND AMOUNTS PATIENTS AND RESIDENTS ARE PERSONALLY RESPONSIBLE FOR, THROUGH A CHARGE TO OPERATIONS AND A CREDIT TO A VALUATION ALLOWANCE BASED ON ITS ASSESSMENT OF HISTORICAL COLLECTION LIKELIHOOD AND THE CURRENT STATUS OF INDIVIDUAL ACCOUNTS BALANCES THAT ARE STILL OUTSTANDING AFTER MANAGEMENT HAS USED REASONABLE COLLECTION EFFORTS ARE WRITTEN OFF THROUGH A CHARGE TO THE VALUATION ALLOWANCE AND A CREDIT TO PATIENT AND RESIDENT ACCOUNTS RECEIVABLE

Identifier	ReturnReference	Explanation
		PART III, LINE 8 THE COSTING METHODOLOGY USED IS COST TO CHARGE RATIO OF 1 022858 AS DETERMINED BY THE MEDICARE COST REPORT

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 THE ORGANIZATION OFFERS WELLNESS SCREENINGS ONCE A YEAR AT NO COST TO THE PUBLIC TO ASSESS HEALTH NEEDS INCLUDED ARE BLOOD PRESSURE CHECKS, DIABETES SCREENINGS, PULMONARY AND RESPIRATORY SCREENINGS, AND EDUCATION ON GOOD HEALTH THIS OFTEN RESULTS IN FOLLOW-UP CARE AFTER RESULTS OF SCREENINGS ARE REVIEWED THE ORGANIZATION ALSO OFFERS A COMMUNITY WEIGHT LOSS PROGRAM (GORED) AS WELL AS WELLNESS LUNCHEONS ON RELATED HEALTH TOPICS

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 PATIENTS RECEIVE CHARITY CARE INFORMATION THROUGH THE BUSINESS OFFICE THE ORGANIZATION MAILS BROCHURES REGARDING THE PROGRAM IN PAST DUE STATEMENTS THE ORGANIZATION ALSO GIVES THE BROCHURE TO PEOPLE IN THE COMMUNITY KNOWN TO THE ORGANIZATION THAT DO NOT HAVE INSURANCE UPON ARRIVAL FOR A VISIT THE CHARITY CARE INFORMATION IS PART OF THE INTAKE PROCESS

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 AS OF THE CENSUS OF 2000, THERE WERE 2,754 PEOPLE, 1,178 HOUSEHOLDS, AND 781 FAMILIES RESIDING IN THE COUNTY THE POPULATION DENSITY WAS 4 PEOPLE PER SQUARE MILE THERE WERE 1,521 HOUSING UNITS AT AN AVERAGE DENSITY OF 2 PER SQUARE MILE THE RACIAL MAKEUP OF THE COUNTY WAS 99 31% WHITE, 0 22% NATIVE AMERICAN, 0 15% ASIAN, 0 15% FROM OTHER RACES, AND 0 18% FROM TWO OR MORE RACES 0 40% OF THE POPULATION WERE HISPANIC OR LATINO OF ANY RACE 59 7% WERE OF NORWEGIAN AND 24 9% GERMAN ANCESTRY ACCORDING TO CENSUS 2000 THERE WERE 1,178 HOUSEHOLDS OUT OF WHICH 26 70% HAD CHILDREN UNDER THE AGE OF 18 LIVING WITH THEM, 59 30% WERE MARRIED COUPLES LIVING TOGETHER, 4 70% HAD A FEMALE HOUSEHOLDER WITH NO HUSBAND PRESENT, AND 33 70% WERE NON-FAMILIES 31 60% OF ALL HOUSEHOLDS WERE MADE UP OF INDIVIDUALS AND 18 60% HAD SOMEONE LIVING ALONE WHO WAS 65 YEARS OF AGE OR OLDER THE AVERAGE HOUSEHOLD SIZE WAS 2 29 AND THE AVERAGE FAMILY SIZE WAS 2 88 IN THE COUNTY THE POPULATION WAS SPREAD OUT WITH 22 50% UNDER THE AGE OF 18, 4 90% FROM 18 TO 24, 21 10% FROM 25 TO 44, 25 80% FROM 45 TO 64, AND 25 70% WHO WERE 65 YEARS OF AGE OR OLDER THE MEDIAN AGE WAS 46 YEARS FOR EVERY 100 FEMALES THERE WERE 99 40 MALES FOR EVERY 100 FEMALES AGE 18 AND OVER, THERE WERE 99 90 MALES THE MEDIAN INCOME FOR A HOUSEHOLD IN THE COUNTY WAS $29,572, AND THE MEDIAN INCOME FOR A FAMILY WAS $38,611 MALES HAD A MEDIAN INCOME OF $26,981 VERSUS $19,327 FOR FEMALES THE PER CAPITA INCOME FOR THE COUNTY WAS $16,131 ABOUT 7 80% OF FAMILIES AND 10 10% OF THE POPULATION WERE BELOW THE POVERTY LINE, INCLUDING 10 00% OF THOSE UNDER AGE 18 AND 10 30% OF THOSE AGE 65 OR OVER

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 THE ORGANIZATION OFFERS A VARIETY OF SERVICES TO THE COMMUNITY TO ASSIST IN TAKING AWAY THE BURDEN OF HAVING TO TRAVEL FOR MEDICAL CARE THE ORGANIZATION ALSO ASSISTS IN ACCOMMODATING ANY FINANCIAL CONCERNS THROUGH THE CHARITY CARE PROGRAM BY DOING BOTH, THE ORGANIZATION HOPES TO BETTER THE WELL-BEING OF THE COMMUNITY THE BOARD OF DIRECTORS IS COMPRISED OF PERSONS WHO RESIDE IN THE PRIMARY SERVICE AREA MEDICAL STAFF PRIVILEGES ARE GIVEN TO ALL QUALIFIED PHYSICIANS IN THE COMMUNITY THE ORGANIZATION IS AFFILIATED WITH EMERGENCY HEART NETWORK, ST PAUL RAMSEY BURN CENTER, AND LIFE FLIGHT

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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, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
COOPERSTOWN MEDICAL CENTER

Employer identification number
45-0227753

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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 idemnification 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 in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all 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**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only 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**		No
b	Any related organization?	**5b**		No
	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**		No
b	Any related organization?	**6b**		No
	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**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
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) BRIAN TWETE	(i)	173,928	0	0	3,540	6,573	184,041	0
	(ii)	0	0	0	0	0	0	0
(2) JEFFREY PETERSON	(i)	187,474	0	0	0	4,195	191,669	0
	(ii)	0	0	0	0	0	0	0
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								

Part III Supplemental Information

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

Identifier	Return Reference	Explanation

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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 Schedule O (Form 990).
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
COOPERSTOWN MEDICAL CENTER

Employer identification number
45-0227753

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	HEALTH CARE FACILITIES REFUNDING REVENUE BONDS SERIES 2010	45-6002048		03-30-2010	1,600,000	REFUND A PRIOR ISSUE		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	85,540			
2	Amount of bonds legally defeased	1,600,000			
3	Total proceeds of issue	1,600,000			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds				
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds				
11	Other spent proceeds	1,600,000			
12	Other unspent proceeds				
13	Year of substantial completion	2010			

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	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		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	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?		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 ▶	0 %							
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 ▶	0 %							
6	Total of lines 4 and 5	0 %							
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 hedge with respect to the bond issue?		X						
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a 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 (see instructions)

Identifier	Return Reference	Explanation

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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, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 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
COOPERSTOWN MEDICAL CENTER

Employer identification number
45-0227753

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) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) No
(1) SCOTT SAYER REVOLVING LINE OF CREDIT, LOAN TO REFINANCE ACCOUNTS PAYABLE, AND LOAN TO P	X		700,000	328,059		No		No	Yes	
Total . . . . . ▶ $				328,059						

Part III Grants or Assistance Benefitting 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 of grant or type of assistance

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	No

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation

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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 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
COOPERSTOWN MEDICAL CENTER

Employer identification number
45-0227753

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE FORM 990 IS PRESENTED FOR REVIEW AND APPROVAL TO THE BOARD OF DIRECTORS DURING A REGULARLY SCHEDULED BOARD MEETING

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	EACH BOARD MEMBER ANNUALLY AND UPON HIRE EACH CORPORATE OFFICER, EXECUTIVE, DEPARTMENT DIRECTOR, SUPERVISOR OR OTHER INDIVIDUAL, DULY AUTHORIZED BY THE GOVERNING BODY TO CONDUCT BUSINESS ON BEHALF OF COOPERSTOWN MEDICAL CENTER SIGNS A STATEMENT WHICH AFFIRMS THAT SUCH PERSON 1)HAS RECEIVED A COPY OF THE CONFLICT OF INTEREST POLICY, 2) HAS READ AND UNDERSTANDS THE POLICY, 3) HAS AGREED TO COMPLY WITH THE POLICY, 4) UNDERSTANDS THAT THE ORGANIZATION IS AND INCLUDES CHARITABLE ORGANIZATIONS AND THAT IN ORDER TO MAINTAIN ITS FEDERAL TAX EXEMPTION IT MUST ENGAGE PRIMARILY IN ACTIVITIES WHICH FURTHER ONE OR MORE OF ITS TAX-EXEMPT PURPOSES

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE BOARD OF DIRECTORS DETERMINES AND APPROVES COMPENSATION OF THE CEO KEY EMPLOYEE COMPENSATION IS DETERMINED USING SURVEYS OF COMPARABLE ORGANIZATIONS COMPENSATION FOR KEY EMPLOYEES IS APPROVED BY THE CEO AND HUMAN RESOURCES DEPARTMENT

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST AND AT THE ANNUAL MEETING

Identifier	Return Reference	Explanation
	FORM 990, PART XII, LINE 2C	THE BOARD OF DIRECTORS ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT AUDITOR THIS PROCESS HAS NOT CHANGED FROM PRIOR YEAR

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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
COOPERSTOWN MEDICAL CENTER

Employer identification number
45-0227753

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on 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" on 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 organization	
						Yes	No
(1) COOPERSTOWN MEDICAL CENTER FOUNDATION 1200 ROBERTS AVE NE COOPERSTOWN, ND 58425 45-0450301	TO SUPPORT THE PROGRAMS OF THE COOPERSTOWN MEDICAL CENTER	ND	501(C)(3)	LINE 7			No

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on 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) Disproprtionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on 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" on Form 990, Part IV, line 34, 35, 35A, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV

		Yes	No
1	During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	**1a**	**No**
b	Gift, grant, or capital contribution to other organization(s)	**1b**	**No**
c	Gift, grant, or capital contribution from other organization(s)	**1c**	**Yes**
d	Loans or loan guarantees to or for other organization(s)	**1d**	**No**
e	Loans or loan guarantees by other organization(s)	**1e**	**No**
f	Sale of assets to other organization(s)	**1f**	**No**
g	Purchase of assets from other organization(s)	**1g**	**No**
h	Exchange of assets	**1h**	**No**
i	Lease of facilities, equipment, or other assets to other organization(s)	**1i**	**No**
j	Lease of facilities, equipment, or other assets from other organization(s)	**1j**	**No**
k	Performance of services or membership or fundraising solicitations for other organization(s)	**1k**	**No**
l	Performance of services or membership or fundraising solicitations by other organization(s)	**1l**	**No**
m	Sharing of facilities, equipment, mailing lists, or other assets	**1m**	**No**
n	Sharing of paid employees	**1n**	**No**
o	Reimbursement paid to other organization for expenses	**1o**	**No**
p	Reimbursement paid by other organization for expenses	**1p**	**No**
q	Other transfer of cash or property to other organization(s)	**1q**	**No**
r	Other transfer of cash or property from other organization(s)	**1r**	**No**

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" on 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?		(e) Share of end-of-year assets	(f) Disproprtionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

Cooperstown Medical Center and Affiliate

Cooperstown, North Dakota

Consolidated Financial Statements and Consolidating Information

Years Ended June 30, 2011 and 2010

Cooperstown Medical Center and Affiliate

Consolidated Financial Statements and Consolidating Information

Years Ended June 30, 2011 and 2010

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WIPFLI LLP

Independent Auditor's Report

Board of Directors
Cooperstown Medical Center
Cooperstown, North Dakota

We have audited the accompanying consolidated balance sheets of Cooperstown Medical Center and Affiliate as of June 30, 2011 and 2010, and the related consolidated statements of operations, changes in net deficit, and cash flows for the years then ended These financial statements are the responsibility of the Organization's management Our responsibility is to express an opinion on these consolidated financial statements based on our audits

We conducted our audits in accordance with auditing standards generally accepted in the United States Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated 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 Cooperstown Medical Center and Affiliate as of June 30, 2011 and 2010, and the results of their operations, changes in net deficit, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States

The accompanying consolidated financial statements have been prepared assuming the Organization will continue as a going concern As discussed in Note 17 to the consolidated financial statements, the Organization has incurred significant recurring losses from operations and has a consolidated net deficit, which raises substantial doubt about its ability to continue as a going concern Management's plans in regard to this matter are described in Note 17 The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty

Wipfli LLP

Wipfli LLP

October 24, 2011
Minneapolis, Minnesota

Cooperstown Medical Center and Affiliate

Consolidated Balance Sheets

June 30, 2011 and 2010

Assets	2011	2010
Current assets		
Cash and cash equivalents	$ 259,416	$ 18,102
Assets limited as to use - Current portion	10,216	-
Patient and resident accounts receivable - Net	874,879	839,962
Due from third-party reimbursement programs	-	29,940
Other accounts receivable	9,111	34,537
Pledges receivable	2,350	6,900
Inventories	105,523	100,566
Prepaid expenses and other	55,062	45,015
Total current assets	1,316,557	1,075,022
Assets limited as to use	132,738	184,745
Property and equipment - Net	1,666,251	1,877,165
Other assets		
Unamortized debt issue costs	23,106	21,130
Resident trust funds and tenant security deposits	16,375	17,913
Total other assets	39,481	39,043
TOTAL ASSETS	$ 3,155,027	$ 3,175,975

Liabilities and Net Deficit	2011	2010
Current liabilities		
Current maturities of long-term debt	$ 138,434	$ 111,287
Current portion of capital lease obligations	15,013	24,061
Note payable - Bank	328,059	290,755
Accounts payable	529,169	750,298
Accrued liabilities		
Salaries and wages	312,637	296,744
Payroll taxes and other	59,723	58,858
Vacation	258,540	244,085
Health insurance	50,000	73,460
Interest	6,803	7,853
Due to third-party reimbursement programs	663,000	-
Total current liabilities	2,361,378	1,857,401
Long-term liabilities		
Long-term debt	2,026,055	1,748,415
Capital lease obligations	11,826	26,883
Resident trust funds and tenant security deposits	15,397	17,563
Total long-term liabilities	2,053,278	1,792,861
Total liabilities	4,414,656	3,650,262
Net deficit	(1,259,629)	(474,287)
TOTAL LIABILITIES AND NET DEFICIT	$ 3,155,027	$ 3,175,975

See accompanying notes to consolidated financial statements

Cooperstown Medical Center and Affiliate

Consolidated Statements of Operations

Years Ended June 30, 2011 and 2010

	2011	2010
Revenue		
Net patient and resident service revenue	$ 6,921,673	$ 6,920,981
Other operating income	153,281	170,419
Net assets released from restrictions	-	13,972
Total revenue	7,074,954	7,105,372
Expenses		
Salaries and wages	4,320,724	4,214,347
Employee benefits	1,039,893	868,504
Supplies and other	2,083,884	2,068,326
Interest	120,853	204,328
Provision for doubtful accounts	88,671	79,896
Depreciation and amortization	310,156	315,251
Total expenses	7,964,181	7,750,652
Loss from operations	(889,227)	(645,280)
Other income		
Investment income	6,206	16,798
Special events - Net of expenses	38,132	28,236
Contributions	39,123	54,998
Other	20,424	13,202
Loss on refinancing of long-term debt	-	(21,391)
Total other income	103,885	91,843
Expenses in excess of revenue	(785,342)	(553,437)
Other changes in unrestricted net assets (deficit)		
Capital contribution from hospital district	-	600,000
Increase (decrease) in unrestricted net assets (deficit)	$ (785,342)	$ 46,563

See accompanying notes to consolidated financial statements

Cooperstown Medical Center and Affiliate

Consolidated Statements of Changes in Net Deficit

Years Ended June 30, 2011 and 2010

	2011	2010
Unrestricted net assets (deficit)		
Expenses in excess of revenue	$ (785,342)	$ (553,437)
Capital contribution from hospital district	-	600,000
Increase (decrease) in unrestricted net assets (deficit)	(785,342)	46,563
Temporarily restricted net assets - Net assets released from restrictions	-	(13,972)
Change in net assets (deficit)	(785,342)	32,591
Net deficit at beginning	(474,287)	(506,878)
Net deficit at end	$ (1,259,629)	$ (474,287)

See accompanying notes to consolidated financial statements

Cooperstown Medical Center and Affiliate

Consolidated Statements of Cash Flows

Years Ended June 30, 2011 and 2010

	2011	2010
Increase (decrease) in cash and cash equivalents		
Cash flows from operating activities		
Change in net assets (deficit)	$ (785,342)	$ 32,591
Adjustments to reconcile change in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation and amortization	310,156	315,251
Amortization of bond discount	-	2,152
Provision for doubtful accounts	88,671	79,896
Capital contribution from hospital district	-	(600,000)
Loss on refinancing of long-term debt	-	21,391
Changes in operating assets and liabilities		
Patient and resident accounts receivable	(123,588)	45,369
Due from third-party reimbursement programs	29,940	(29,940)
Other accounts receivables	25,426	(1,035)
Inventories	(4,957)	10,935
Prepaid expenses and other	(10,047)	17,794
Resident trust funds and security deposits	1,538	(2,147)
Accounts payable	(221,129)	340,755
Accrued liabilities	6,703	96,120
Due to third-party reimbursement programs	663,000	(185,000)
Resident trust funds and security deposits	(2,166)	1,913
Total adjustments	763,547	113,454
Net cash provided by (used in) operating activities	(21,795)	146,045

Cooperstown Medical Center and Affiliate

Consolidated Statements of Cash Flows (Continued)

Years Ended June 30, 2011 and 2010

	2011	2010
Cash flows from investing activities		
Purchase of property and equipment	$ (97,804)	$ (140,697)
Decrease in assets limited as to use	41,791	744,914
Payments received on pledges receivable	4,550	7,072
Net cash provided by (used in) investing activities	(51,463)	611,289
Cash flows from financing activities		
Proceeds from issuance of long-term debt	450,000	1,860,000
Proceeds from issuance of note payable	37,304	72,694
Principal payments on long-term debt	(145,213)	(2,685,446)
Payments on capital lease obligation	(24,105)	(24,896)
Payment of debt issue costs	(3,414)	-
Net cash provided by (used in) financing activities	314,572	(777,648)
Increase (decrease) in cash and cash equivalents	241,314	(20,314)
Cash and cash equivalents at beginning	18,102	38,416
Cash and cash equivalents at end	$ 259,416	$ 18,102
Supplemental cash flow information		
Cash paid during the year for interest	$ 121,903	$ 228,953
Noncash investing and financing activities		
Capital contribution from hospital district	$ -	$ 600,000

Cooperstown Medical Center and Affiliate

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies

The Entity

Cooperstown Medical Center (the "Medical Center") is organized as a North Dakota nonprofit organization and consists of an 18-bed critical access hospital, a 48-bed skilled nursing facility, a 12-unit assisted living facility, and a medical clinic located in Cooperstown, North Dakota The Medical Center also operates a clinic in Binford, North Dakota

Cooperstown Medical Center Foundation (the "Foundation") is organized as a North Dakota nonprofit corporation The Medical Center is the sole member and beneficiary of fund-raising activities sponsored by the Foundation

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Medical Center and the Foundation, collectively referred to as the "Organization " All material intercompany accounts and transactions have been eliminated in consolidation

Financial Statement Presentation

The Organization follows accounting standards contained in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) The ASC is the single source of authoritative accounting principles generally accepted in the United States (GAAP) to be applied to nongovernmental entities in the preparation of financial statements in conformity with GAAP

Use of Estimates in Preparation of Financial Statements

The preparation of the accompanying consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that directly affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period Actual results may differ from these estimates

Note 1 Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents, excluding amounts whose use is limited or restricted

Patient and Resident Accounts Receivable and Credit Policy

Patient and resident accounts receivable are uncollateralized obligations that are stated at the amount management expects to collect from outstanding balances These obligations are primarily from local residents, most of whom are insured under third-party payer agreements The Organization bills third-party payers on the patients' and residents' behalf, or if a patient or resident is uninsured, the patient or resident is billed directly Once claims are settled with the primary payer, any secondary insurance is billed, and patients or residents are billed for copay and deductible amounts that are the patients' or residents' responsibility Payments on accounts receivable are applied to the specific claim identified on the remittance advice or statement

The Organization does have a policy to charge interest on past-due accounts, interest is charged at 1% per month on account balances greater than 30 days past due

The carrying amounts of accounts receivable are reduced by allowances that reflect management's best estimate of the amounts that will not be collected Management provides for contractual adjustments under terms of third-party reimbursement agreements through a reduction of gross revenue and a credit to patient or resident accounts receivable In addition, management provides for probable uncollectible amounts, primarily from uninsured patients and residents and amounts patients and residents are personally responsible for, through a charge to operations and a credit to a valuation allowance based on its assessment of historical collection and the current status of individual accounts Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to patient and resident accounts receivable

Patient and resident accounts receivable are recorded in the accompanying consolidated balance sheets net of contractual adjustments and allowances for doubtful accounts

Note 1 Summary of Significant Accounting Policies (Continued)

Inventories

Inventories of supplies are valued at the lower of cost, determined using the first-in, first-out method, or market

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 accompanying consolidated balance sheets Certificates of deposit are carried at cost plus accrued interest

Investment income (including realized gains and losses, interest, and dividends) is reported as other income and is included in the expenses in excess of revenue (operating indicator) unless the income is restricted by donor or law Unrealized gains and losses on investments are excluded from the operating indicator unless the investments are trading securities Realized gains or losses are determined by specific identification

The Organization monitors the difference between the cost and fair value of its investments A decline in market value of an individual investment security below cost that is deemed to be other than temporary results in an impairment, and the Organization reduces the investment's carrying value to fair value A new cost basis is established for the investment, and any impairment loss is recorded as a realized loss in investment income

Assets Limited as to Use

Assets limited as to use include assets designated by the Board of Directors for future capital improvements, over which the Organization's Board of Directors retains control and may at its discretion subsequently use for other purposes and assets held for self-funded health insurance benefits Amounts required to meet current liabilities of the Organization have been classified as current assets

Note 1 Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date GAAP provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements) The three levels of the fair value hierarchy under ASC Topic 820 are described below

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access

Level 2 - Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs

Note 1 Summary of Significant Accounting Policies (Continued)

Property, Equipment, and Depreciation

Property and equipment acquisitions are recorded at cost or, if donated, at fair value at the date of donation Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment Such amortization is included with depreciation expense in the accompanying consolidated financial statements Estimated useful lives range from 5 to 25 years for land improvements, from 3 to 40 years for buildings and improvements, and from 3 to 25 years for movable equipment

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support and are excluded from the expenses in excess of revenue, 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 support Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service

Asset Impairment

The Organization reviews its property, equipment, and intangible assets periodically to determine potential impairment If an impairment exists, an impairment loss is recognized No asset impairments were recognized in 2011 and 2010

Note 1 Summary of Significant Accounting Policies (Continued)

Asset Retirement Obligations

ASC Topic 410, *Accounting for Conditional Asset Retirement Obligations,* clarifies when an entity is required to recognize a liability for a conditional asset retirement obligation The Organization has considered ASC Topic 410, specifically as it relates to its legal obligation to perform asset retirement activities on its existing properties The Organization believes there is an indeterminate settlement date for the asset retirement obligations because the range of time over which the Organization may settle the obligation is unknown and cannot be estimated As a result, the Organization cannot reasonably estimate the liability related to these asset retirement activities as of June 30, 2011 and 2010

Unamortized Debt Issue Costs

Costs related to issuance of long-term debt are amortized over the life of the related debt

Pledges Receivable

Pledges are recorded as receivables in the year pledged at the net present value of expected future cash receipts less an allowance for estimated uncollectible amounts Pledges and other promises to give, whose eventual uses are restricted by the donors, are recorded as increases in temporarily restricted net assets, unrestricted pledges to be collected in future periods are also recorded as an increase to temporarily restricted net assets and reclassified to unrestricted net assets when received

No allowance for uncollectible pledges has been provided because management believes outstanding receivables balances are fully collectible as of June 30, 2011 and 2010

Original Issue Discounts

Original issue discounts on long-term debt are deferred and amortized over the life of the related debt Amortization of the discount is reflected as a component of interest expense

Note 1 Summary of Significant Accounting Policies (Continued)

Net Assets

Unrestricted net assets consist of investments and otherwise unrestricted amounts that are available for use in carrying out the mission of the Organization and include those expendable resources which have been designated for special use by the Organization's Board of Directors Temporarily restricted net assets are those whose use by the Organization 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 Organization in perpetuity

For 2011 and 2010, the Organization has no temporarily or permanently restricted net assets

Expenses in Excess of Revenue

The accompanying consolidated statements of operations include the classification expenses in excess of revenue, which is considered the operating indicator Changes in unrestricted net assets, which are excluded from the operating indicator, include unrealized gains and losses on investments other than trading securities, permanent transfer of assets to and from affiliates for other than goods and services, and contributions of long-lived assets including assets acquired using contributions that by donor restriction were to be used for the purposes of acquiring such assets

Net Patient and Resident Service Revenue

Net patient and resident service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers 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

Note 1 Summary of Significant Accounting Policies (Continued)

Charity Care

The Organization provides care to patients and residents who meet certain criteria under its charity care policy without charge or at amounts less than its established rates The Organization maintains records to identify the amount of charges for services and supplies furnished under the charity care policy Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient and resident service revenue

Contributions

Contributions are considered available for unrestricted use unless specifically restricted by the donor Unconditional promises to give cash and other assets to the Organization are reported at fair value at the date the promise is received Conditional promises to give are not recognized until they become unconditional, that is, when the conditions upon which they depend are substantially met

Contributions 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 a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as net assets released from restrictions Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions

Advertising Costs

Advertising costs are expensed as incurred

Note 1 Summary of Significant Accounting Policies (Continued)

Income Taxes

The Organization is a tax-exempt corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code The Organization is also exempt from state income taxes on related income

In order to account for any uncertain tax positions, ASC Topic 740-10, *Accounting for Uncertainty in Income Taxes* , requires an organization to assess whether it is more likely than not that a tax position will be sustained upon examination of the technical merits of the position, assuming the taxing authority has full knowledge of all information If the tax position does not meet the more-likely-than-not recognition threshold, the benefit of the tax position is not recognized in the financial statements Management does not believe the Organization has any material uncertain tax positions or unrecognized tax benefits

Federal and state returns for tax years 2007 and subequent years remain subject to examination by major tax jurisdictions

Subsequent Events

Subsequent events have been reviewed through October 24, 2011, which is the date the consolidated financial statements were available to be issued

Note 2 Reimbursement Arrangements With Third-Party Payers

The Organization has agreements with third-party payers that provide for reimbursement at amounts that vary from its established rates A summary of the basis of reimbursement with major third-party payers follows

Hospital

Medicare - The Organization's hospital is designated as a critical access hospital (CAH) Under this designation, inpatient and outpatient hospital services are paid based upon a cost-reimbursement methodology Certain professional services provided by physicians are reimbursed based on prospectively determined fee schedules

Medicaid - Inpatient and outpatient hospital services are paid based upon a cost-reimbursement methodology Inpatient services are reimbursed using Medicare interim per diem rates, decreased by 1% Outpatient services are paid at Medicare interim payment rates

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

Nursing Home

Medicare - Medicare pays the Organization for Part A services based on a predetermined rate per resident day, which varies depending on the resident's level of care and the types of services provided Medicare pays the Organization for Part B services based on predetermined fee schedules

Medicaid - Reimbursement is based on a predetermined rate formula under a contractual arrangement with the Medical Assistance program under Title XIX of the Social Security Act Billing rates are determined on a cost-related basis subject to certain limitations as prescribed by the North Dakota Department of Human Services' regulations These rates are subject to retroactive adjustment by field audit

Note 2 Reimbursement Arrangements With Third-Party Payers (Continued)

Clinic

Medicare - Clinical services are paid on a fee-screen basis or on a cost-related basis for rural health clinic services

Medicaid - Clinical services are paid on a fixed-fee schedule or on a cost-related basis for rural health clinic services

Blue Cross and Others - The Organization has also entered into payment agreements with Blue Cross, certain commercial insurance carriers, and other organizations The basis for payment to the Organization under these agreements includes payments on a fixed-fee schedule or discounts from established charges

Accounting for Contractual Arrangements

The Organization is reimbursed for certain cost-reimbursable items at an interim rate, and final settlements are determined after audit of the Organization's related annual cost reports by the respective Medicare and Medicaid fiscal intermediaries Estimated provisions to approximate the final expected settlements after review by the intermediaries are included in the accompanying consolidated financial statements The Organization's cost reports have been examined by the Medicare and Medicaid fiscal intermediaries through June 30, 2009

Note 2 Reimbursement Arrangements With Third-Party Payers (Continued)

Laws and Regulation

The health care industry is subject to numerous laws and regulations of federal, state, and local governments These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and billing regulations Government activity with respect to investigations and allegations concerning possible violations of such regulations by health care providers has increased Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayment for patient services previously billed Management believes that the Organization is in compliance with applicable government laws and regulations While no significant regulatory inquiries have been made of the Organization, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time

The Centers for Medicare and Medicaid Services (CMS) implemented a project using recovery audit contractors (RAC) as part of CMS's further efforts to ensure accurate payments The project uses RACs to search for potentially inaccurate Medicare payments that might have been made to health care providers and that were not detected through existing CMS program integrity efforts Once a RAC identifies a claim it believes is inaccurate, it makes a deduction from or addition to the provider's Medicare reimbursement in an amount estimated to equal the overpayment or underpayment The organization may either accept or appeal the RACs findings The Organization's policy is to adjust revenue for decreases in reimbursement from the RAC reviews when the amounts are estimable and to adjust revenue for increases in reimbursement from RAC reviews when the increase in reimbursement is agreed upon RAC reviews of the Organization are anticipated, however, the outcome of such reviews are unknown and any financial impact cannot be reasonably estimated at June 30, 2011

Note 3 Patient and Resident Accounts Receivable

Patient and resident accounts receivable consisted of the following at June 30

	2011	2010
Patient and resident accounts receivable	$ 1,051,645	$ 991,962
Less		
Contractual adjustments	91,766	94,000
Allowance for doubtful accounts	85,000	58,000
Patient and resident accounts receivable - Net	$ 874,879	$ 839,962

Note 4 Assets Limited as to Use

Assets limited as to use consisted of the following at June 30

	2011	2010
Board-designated for self-funded health insurance benefits		
Cash	$ 10,216	$ -
Board-designated by Foundation Board		
Certificates of deposit	103,384	156,503
Corporate equities	29,354	28,242
Total assets designated by Foundation Board	132,738	184,745
Total assets limited as to use	142,954	184,745
Less - Assets limited to use - Current portion	10,216	-
Assets limited as to use	$ 132,738	$ 184,745

Investment Income

Investment income, consisting primarily of interest earnings, was $6,206 and $16,798 for 2011 and 2010, respectively

Note 5 Fair Value Measurements

The following table sets forth the fair value of the Organization's assets at June 30

	Level 1	Level 2	Level 3	Total
Corporate equities at June 30, 2011	$ 29,354	$ -	$ -	$ 29,354
Corporate equities at June 30, 2010	$ 28,342	$ -	$ -	$ 28,342

Following is a description of the valuation methodologies used for assets measured at fair value

Corporate equities - The carrying value of corporate equities is based on quoted market prices

The methods described above may produce a fair value calculations that may not be indicative of net realizable value or reflective of future fair values Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain instruments could result in a different fair value measurement at the reporting date

The carrying value of other current assets and current liabilities are reasonable estimates of their fair value due to the short-term nature of those financial instruments

Note 6 Property, Equipment, and Depreciation

Property and equipment consisted of the following at June 30

	2011	2010
Land	$ 133,277	$ 133,277
Land improvements	154,615	154,615
Buildings and improvements	5,988,851	5,978,401
Movable equipment	1,502,215	1,530,834
Total property and equipment	7,778,958	7,797,127
Less - Accumulated depreciation	6,232,162	5,926,000
Net depreciated value	1,546,796	1,871,127
Construction in progress	119,455	6,038
Property and equipment - Net	$ 1,666,251	$ 1,877,165

Cost of equipment under capital lease obligations, which is included in movable equipment, was $128,405 at June 30, 2011 and 2010, and accumulated amortization for equipment under capital lease obligations was $105,103 and $81,372 at June 30, 2011 and 2010, respectively

Note 7 Note Payable - Bank

At June 30, 2011 and 2010, the Organization had two separate lines of credit of $300,000 and $400,000 with a bank The lines of credit bear interest at 4 85% at June 30, 2011 They are secured by property and equipment and are due on demand Outstanding borrowings were $328,059 and $290,755 at June 30, 2011 and 2010, respectively The lines of credit mature March 10, 2012

Note 8 Capital Lease Obligations

The Organization uses certain equipment under lease agreements classified as capital leases Capital lease obligations consisted of the following at June 30

	2011	2010
Capital lease obligation, with imputed interest at 6 0% and secured by office equipment, due in monthly installments of $1,349 through February 2013	$ 26,839	$ 41,019
Capital lease obligation, with imputed interest at 6 2% and secured by laboratory equipment, due in monthly installments of $1,131 through March 31, 2011	-	9,925
Totals	26,839	50,944
Less - Current maturities	15,013	24,061
Long-term portion	$ 11,826	$ 26,883

Minimum future payments under capital lease obligations are as follows

2012	$ 16,218
2013	12,124
Total minimum lease payments	28,342
Amount representing interest	1,503
Long-term obligation under capital lease	$ 26,839

Note 9 Long-Term Debt

Long-term debt consisted of the following at June 30

	2011	2010
4 85% Health Care Facilities Revenue Refunding Bonds Series 2010, due in monthly installments of $12,528 including interest until March 2025, secured by a mortgage on the Organization's real estate	$ 1,514,460	$ 1,588,317
6 25% note payable, due in monthly installments of $1,689 including interest until January 2016, secured by certain assets	80,599	95,249
5 5% variable-rate note payable, due in monthly installments of $992, including interest to October 2027, secured by substantially all assets of the Organization	136,722	142,553
5 0% note payable, due in monthly installments of $2,652 including interest to December 2021, secured by certain assets	240,712	-
4 85% note payable, due in monthly installments of $1,534 including interest The note was paid in full during 2011	-	33,583
1 0% note payable, due in monthly installments of $1,751 including interest to January 2021, secured by certain assets	191,996	-
Totals	2,164,489	1,859,702
Less Current maturities	138,434	111,287
Long-term portion	$ 2,026,055	$ 1,748,415

Note 9 Long-Term Debt (Continued)

Scheduled principal payments on long-term debt at June 30, 2011, including current maturities, are summarized as follows

2012	$ 138,434
2013	144,870
2014	151,599
2015	158,673
2016	157,536
Thereafter	1,413,377
Total	$ 2,164,489

Note 10 Net Patient and Resident Service Revenue

Net patient and resident service revenue consisted of the following

	2011	2010
Gross patient and resident service revenue	$ 7,587,095	$ 7,352,935
Less - Contractual adjustments	665,422	431,954
Net patient and resident service revenue	$ 6,921,673	$ 6,920,981

Note 11 Charity Care

The Organization maintains records to identify and monitor the level of charity care it provides The amount of charges forgone for services and supplies furnished under the Organization's charity care policy aggregated approximately $4,672 and $14,089 for the years ended June 30, 2011 and 2010, respectively

Note 12 Functional Expenses

The Organization provides general health care services to residents within its geographic location Expenses related to providing these services consisted of the following

	2011	2010
Health care services	$ 7,093,017	$ 6,902,845
General and administrative	871,164	847,807
Total expenses	$ 7,964,181	$ 7,750,652

Note 13 Capital Contribution From Hospital District

In 2010, the Organization refinanced its Health Care Facilities Revenue Bonds, Series 1995 As part of the refinancing agreement, the Community Medical Center Hospital District agreed to assume $600,000 in notes payable The removal of the notes payable has been recorded as a noncash capital contribution to the Organization

Note 14 Professional Liability Insurance

The Organization's professional liability insurance for claim losses of less than $1,000,000 per claim and $5,000,000 per year covers professional liability claims reported during a policy year ("claims made" coverage) The professional liability insurance policy is renewable annually and has been renewed by the insurance carrier for the annual period extending through January 1, 2012

Under a claims-made policy, the risk for claims and incidents not asserted within the policy period remains with the Organization Although there exists the possibility of claims arising from services provided to patients through June 30, 2011, which have not yet been asserted, the Organization is unable to determine the ultimate cost, if any, of such possible claims, and accordingly, no provision has been made

Note 15 Retirement Plan

The Organization has a defined contribution retirement plan covering substantially all employees The Organization made discretionary matching contributions based on the participants' total compensation The Organization matched the first 2% of compensation contributed in 2011 and 2010 Retirement plan expense totaled $48,853 and $50,471 in 2011 and 2010, respectively

Note 16 Self-Funded Insurance

The Organization has a self-funded health care plan that provides medical benefits to employees and their dependents Employees share in the cost of health benefits Health care expense is based upon actual claims paid, reinsurance premiums, administration fees, and unpaid claims at year-end The Organization buys reinsurance to cover catastrophic individual claims over $40,000

Health care expense totaling $601,903 and $468,397 for 2011 and 2010, respectively, has been recorded A liability of $50,000 and $73,460 for claims outstanding at June 30, 2011 and 2010, respectively, has been recorded in accrued liabilities in the accompanying consolidated balance sheets Management believes this liability is sufficient to cover estimated claims, including claims incurred but not yet reported

Note 17 Going Concern

Management is aware of the Organization's current financial position and is continuing to pursue plans developed during the previous year to improve the financial performance and operating cash flows of the Organization

During 2011, the Organization prepared an analysis of the corporate and financial structure of the Organization to determine the most beneficial arrangement to maximize reimbursement As a result of that analysis, a decision was made to transfer the skilled nursing facilty operations to Griggs County Nursing Home, Inc

During 2010, the Organization completed refinancing of its debt in order to reduce its monthly debt service obligations As part of the refinancing, $600,000 in notes payable were assumed by the Community Medical Center Hospital District to reduce the total debt obligations of the Organization

The reported consolidated operating losses of $889,227 and $645,280, in 2011 and 2010, respectively, continued a trend of losses from operations that has resulted in a consolidated net deficit of $1,259,629 at June 30, 2011

Management's plans to improve the Organization's financial performance and financial position include

- Pursuing the possibility of selling the assisted living units
- Determining if any additional support can be generated from the Community Medical Center Hospital District as a result of statute changes by the North Dakota legislature
- Considering of adjustments to the employee health plan to reduce the expense to the Organization
- Evaluating payroll and staffing structure to determine existing and future staffing and compensation adjustments are consistent with market conditions in the area

Note 18 Subsequent Event

Effective July 1, 2011, the Organization sold its skilled nursing facility operations and entered into agreements to lease the space utilized by skilled nursing facility operations to Griggs County Nursing Home, Inc The Organization also entered into agreements to purchase certain services from Griggs County Nursing Home, Inc

Note 19 Concentration of Credit Risk

Financial instruments that potentially subject the Organization to possible credit risk consist principally of accounts receivable, cash deposits in excess of insured limits, and investments

Accounts receivable consist of amounts due from patients and residents, their insurers, or governmental agencies (primarily Medicare and Medicaid) for health care provided to the patients and residents The majority of the Organization's patients and residents are from Cooperstown, North Dakota, and the surrounding area

The mix of receivables from patients, residents, and third-party payers was as follows at June 30

	2011	2010
Medicare	36 %	39 %
Medicaid	21 %	17 %
Commercial insurance	14 %	14 %
Other third-party payers, patients, and residents	29 %	30 %
Totals	100 %	100 %

The Organization maintains depository relationships with area financial institutions that are Federal Depository Insurance Corporation (FDIC) insured institutions On November 9, 2010, the FDIC issued a final rule implementing Section 343 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which provides for unlimited insurance coverage of noninterest-bearing transaction accounts through December 31, 2012 At June 30, 2011, the Organization did not exceed the insured limits

Note 20 Reclassifications

Certain reclassifications have been made to the 2010 consolidated financial statements to conform to the 2011 classifications

Consolidating Information

WIPFLI LLP

Independent Auditor's Report on Consolidating Information

Board of Directors
Cooperstown Medical Center
Cooperstown, North Dakota

Our report on our audits of the basic consolidated financial statements of Cooperstown Medical Center and Affiliate for the years ended June 30, 2011 and 2010, appears on page 1 Those audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole The additional information appearing on pages 33 through 40 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic consolidated financial statements taken as a whole

Wipfli LLP

Wipfli LLP

October 24, 2011
Minneapolis, Minnesota

Cooperstown Medical Center and Affiliate

Consolidating Balance Sheets

June 30, 2011

Assets	Medical Center	Foundation	Elimination	Consolidated Total
Current assets				
Cash and cash equivalents	$ 100,575	$ 158,841	$ -	$ 259,416
Assets limited as to use - Current portion	10,216	-	-	10,216
Patient and resident accounts receivable - Net	874,879	-	-	874,879
Other accounts receivable	4,991	4,120	-	9,111
Pledges receivable	-	2,350	-	2,350
Inventories	105,523	-	-	105,523
Prepaid expenses and other	54,897	165	-	55,062
Total current assets	1,151,081	165,476	-	1,316,557
Assets limited as to use	-	132,738	-	132,738
Property and equipment - Net	1,656,290	9,961	-	1,666,251
Other assets				
Unamortized debt issue costs	23,106	-	-	23,106
Resident trust funds and tenant security deposits	16,375	-	-	16,375
Total other assets	39,481	-	-	39,481
TOTAL ASSETS	$ 2,846,852	$ 308,175	$ -	$ 3,155,027

Liabilities and Net Assets (Deficit)	Medical Center	Foundation	Elimination	Consolidated Total
Current liabilities				
Current maturities of long-term debt	$ 138,434	$ -	$ -	$ 138,434
Current portion of capital lease obligations	15,013	-	-	15,013
Note payable - Bank	328,059	-	-	328,059
Accounts payable	529,169	-	-	529,169
Accrued liabilities				
Salaries and wages	312,637	-	-	312,637
Payroll taxes and other	59,723	-	-	59,723
Vacation	258,540	-	-	258,540
Health insurance	50,000	-	-	50,000
Interest	6,803	-	-	6,803
Due to third-party reimbursement programs	663,000	-	-	663,000
Total current liabilities	2,361,378	-	-	2,361,378
Long-term liabilities				
Long-term debt	2,026,055	-	-	2,026,055
Capital lease obligations	11,826	-	-	11,826
Resident trust funds and security deposits	15,397	-	-	15,397
Total long-term liabilities	2,053,278	-	-	2,053,278
Total liabilities	4,414,656	-	-	4,414,656
Net assets (deficit)	(1,567,804)	308,175	-	(1,259,629)
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	$ 2,846,852	$ 308,175	$ -	$ 3,155,027

Cooperstown Medical Center and Affiliate

Consolidating Balance Sheets (Continued)

June 30, 2010

Assets	Medical Center	Foundation	Elimination	Consolidated Total
Current assets				
Cash and cash equivalents	$ (3,040)	$ 21,142	$ -	$ 18,102
Patient and resident accounts receivable - Net	839,962	-	-	839,962
Due from third-party reimbursement programs	29,940	-	-	29,940
Other accounts receivable	34,537	22,651	(22,651)	34,537
Pledges receivable	-	6,900	-	6,900
Inventories	100,566	-	-	100,566
Prepaid expenses and other	44,850	165	-	45,015
Total current assets	1,046,815	50,858	(22,651)	1,075,022
Assets limited as to use	-	184,745	-	184,745
Property and equipment - Net	1,839,800	37,365	-	1,877,165
Other assets				
Unamortized debt issue costs	21,130	-	-	21,130
Resident trust funds and security deposits	17,913	-	-	17,913
Total other assets	39,043	-	-	39,043
TOTAL ASSETS	$ 2,925,658	$ 272,968	$ (22,651)	$ 3,175,975

Liabilities and Net Assets (Deficit)	Medical Center	Foundation	Elimination	Consolidated Total
Current liabilities				
Current maturities of long-term debt	$ 111,287	$ -	$ -	$ 111,287
Current portion of capital lease obligations	24,061	-	-	24,061
Note payable - Bank	290,755	-	-	290,755
Accounts payable	772,929	20	(22,651)	750,298
Accrued liabilities				
Salaries and wages	296,744	-	-	296,744
Payroll taxes and other	58,858	-	-	58,858
Vacation	244,085	-	-	244,085
Health insurance	73,460	-	-	73,460
Interest	7,853	-	-	7,853
Total current liabilities	1,880,032	20	(22,651)	1,857,401
Long-term liabilities				
Long-term debt	1,748,415	-	-	1,748,415
Capital lease obligations	26,883	-	-	26,883
Resident trust funds and security deposits	17,563	-	-	17,563
Total long-term liabilities	1,792,861	-	-	1,792,861
Total liabilities	3,672,893	20	(22,651)	3,650,262
Net assets (deficit)	(747,235)	272,948	-	(474,287)
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	$ 2,925,658	$ 272,968	$ (22,651)	$ 3,175,975

Cooperstown Medical Center and Affiliate

Consolidating Statements of Operations

Year Ended June 30, 2011

	Medical Center	Foundation	Elimination	Consolidated Total
Revenue				
Net patient and resident service revenue	$ 6,921,673	$ -	$ -	$ 6,921,673
Other operating income	153,281	-	-	153,281
Total revenue	7,074,954	-	-	7,074,954
Expenses				
Salaries and wages	4,320,724	-	-	4,320,724
Employee benefits	1,039,893	-	-	1,039,893
Supplies and other	2,070,373	13,511	-	2,083,884
Interest	120,874	(21)	-	120,853
Provision for doubtful accounts	87,221	1,450	-	88,671
Depreciation and amortization	307,815	2,341	-	310,156
Total expenses	7,946,900	17,281	-	7,964,181
Loss from operations	(871,946)	(17,281)	-	(889,227)
Other income				
Investment income	513	5,693	-	6,206
Special events - Net of expenses	-	38,132	-	38,132
Contributions	3,819	35,304	-	39,123
Other	16,344	4,080	-	20,424
Total other income	20,676	83,209	-	103,885
Revenue in excess (deficiency) of expenses	(851,270)	65,928	-	(785,342)
Other changes in unrestricted net assets (deficit)				
Transfers (to) from affiliate	30,701	(30,701)	-	-
Increase in unrestricted net assets (deficit)	$ (820,569)	$ 35,227	$ -	$ (785,342)

Cooperstown Medical Center and Affiliate

Consolidating Statements of Operations (Continued)

Year Ended June 30, 2010

	Medical Center	Foundation	Elimination	Consolidated Total
Revenue				
Net patient and resident service revenue	$ 6,920,981	$ -	$ -	$ 6,920,981
Other operating income	170,419	-	-	170,419
Net assets released from restrictions	-	13,972	-	13,972
Total revenue	7,091,400	13,972	-	7,105,372
Expenses				
Salaries and wages	4,214,347	-	-	4,214,347
Employee benefits	868,504	-	-	868,504
Supplies and other	2,049,098	19,228	-	2,068,326
Interest	200,777	3,551	-	204,328
Provision for doubtful accounts	73,421	6,475	-	79,896
Depreciation and amortization	314,497	754	-	315,251
Total expenses	7,720,644	30,008	-	7,750,652
Loss from operations	(629,244)	(16,036)	-	(645,280)
Other income				
Investment income	12,774	4,024	-	16,798
Special events - Net of expenses	-	28,236	-	28,236
Contributions	6,283	48,715	-	54,998
Other	11,502	1,700	-	13,202
Loss on refinancing of long-term debt	(21,391)	-	-	(21,391)
Total other income	9,168	82,675	-	91,843
Revenue in excess (deficiency) of expenses	(620,076)	66,639	-	(553,437)
Other changes in unrestricted net assets (deficit)				
Capital contribution from hospital district	600,000	-	-	600,000
Transfers (to) from affiliate	17,507	(17,507)	-	-
Increase (decrease) in unrestricted net assets (deficit)	$ (2,569)	$ 49,132	$ -	$ 46,563

Cooperstown Medical Center and Affiliate

Consolidating Statements of Changes in Net Assets (Deficit)

Year Ended June 30, 2011

	Medical Center	Foundation	Consolidated Total
Unrestricted net assets (deficit)			
Revenues in excess (deficiency) of expenses	$ (851,270)	$ 65,928	$ (785,342)
Transfers from (to) affiliate	30,701	(30,701)	-
Change in net assets (deficit)	(820,569)	35,227	(785,342)
Net assets (deficit) at beginning	(747,235)	272,948	(474,287)
Net assets (deficit) at end	$ (1,567,804)	$ 308,175	$ (1,259,629)

Cooperstown Medical Center and Affiliate

Consolidating Statements of Changes in Net Assets (Continued)

Year Ended June 30, 2010

	Medical Center	Foundation	Consolidated Total
Unrestricted net assets (deficit)			
Revenues in excess (deficiency) of expenses	$ (620,076)	$ 66,639	$ (553,437)
Capital contribution from hospital district	600,000	-	600,000
Transfers from (to) affiliate	17,507	(17,507)	-
Increase (decrease) in unrestricted net assets (deficit)	(2,569)	49,132	46,563
Temporarily restricted net assets			
Net assets released from restrictions	-	(13,972)	(13,972)
Change in net assets (deficit)	(2,569)	35,160	32,591
Net assets (deficit) at beginning	(744,666)	237,788	(506,878)
Net assets (deficit) at end	$ (747,235)	$ 272,948	$ (474,287)