



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



Form 990  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 10-01-2010 and ending 09-30-2011		
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization GEORGETOWN MEMORIAL HOSPITAL Doing Business As Number and street (or P O box if mail is not delivered to street address) PO DRAWER 1718Room/suite City or town, state or country, and ZIP + 4 GEORGETOWN, SC 294421718	D Employer identification number 57-0341194
	F Name and address of principal officer BRUCE P BAILEY PO DRAWER 1718 GEORGETOWN, SC 294421718	E Telephone number (843) 527-7100
	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G Gross receipts \$ 125,621,852
	H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
	I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (Insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	H(c) Group exemption number ▶
J Website: ▶ WWW.GEORGETOWNHOSPITALSYSTEM.ORG		
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1946
		M State of legal domicile SC

Part I	Summary
---------------	----------------

Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO PROVIDE HIGH QUALITY HEALTHCARE TO THE CITIZENS OF GEORGETOWN CO AND SURROUNDING AREAS	
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets	
	3 Number of voting members of the governing body (Part VI, line 1a)	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	
6 Total number of volunteers (estimate if necessary)		
7a Total unrelated business revenue from Part VIII, column (C), line 12		
7b Net unrelated business taxable income from Form 990-T, line 34		
Revenue	8 Contributions and grants (Part VIII, line 1h)	
	9 Program service revenue (Part VIII, line 2g)	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	
Expenses	14 Benefits paid to or for members (Part IX, column (A), line 4)	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	
	16a Professional fundraising fees (Part IX, column (A), line 11e)	
	b Total fundraising expenses (Part IX, column (D), line 25) ▶310,734	
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	
	19 Revenue less expenses Subtract line 18 from line 12	
	Net Assets or Fund Balances	20 Total assets (Part X, line 16)
21 Total liabilities (Part X, line 26)		
22 Net assets or fund balances Subtract line 21 from line 20		
Prior Year		Current Year
454,913		400,826
121,563,822	119,039,930	
3,591,838	4,770,645	
3,489,147	1,269,547	
129,099,720	125,480,948	
348,039	258,705	
0	0	
57,756,928	58,556,725	
0	0	
67,385,897	58,324,299	
125,490,864	117,139,729	
3,608,856	8,341,219	
Beginning of Current Year	End of Year	
287,164,867	283,539,480	
80,415,110	75,026,602	
206,749,757	208,512,878	

Part II	Signature Block
----------------	------------------------

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	***** Signature of officer	2012-08-08 Date			
	BRUCE P BAILEY CEO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name AMY BIBBY	Preparer's signature AMY BIBBY	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ▶ DIXON HUGHES GOODMAN LLP				Firm's EIN ▶
	Firm's address ▶ 500 RIDGEFIELD COURT ASHEVILLE, NC 28806				Phone no ▶ (828) 254-2254

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

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

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

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

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 \$	100,800,449	including grants of \$	258,705)	(Revenue \$ 118,821,793)
	<p>GEORGETOWN MEMORIAL HOSPITAL PROVIDES QUALITY HEALTH CARE AND PROMOTES HEALTH AND WELLNESS TO GEORGETOWN COUNTY AND SURROUNDING AREAS. GEORGETOWN MEMORIAL HOSPITAL IS A 131 BED ACUTE FACILITY LOCATED IN THE CITY OF GEORGETOWN, SOUTH CAROLINA. THE HOSPITAL WAS ORGANIZED UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA IN 1946 FOR THE PURPOSE OF OPERATING A COMMUNITY HOSPITAL IN GEORGETOWN COUNTY. THE HOSPITAL WAS CREATED FOR THE PURPOSE OF PROMOTING HEALTH FOR ALL RESIDENTS OF GEORGETOWN COUNTY AND ITS OUTLYING AREAS. THE PROMOTION OF HEALTH HAS BEEN ESTABLISHED AS A CHARITABLE PURPOSE UNDER INTERNAL REVENUE CODE (IRC) SECTION 501 (C)(3). REVENUE RULE 69-545, 1969-2 C.B. 117, AS MODIFIED BY REC. RUL. 83-157, 1983-2 C.B. 94, SETS FORTH THE FACTORS THE INTERNAL REVENUE SERVICES WILL CONSIDER IN DETERMINING WHETHER A NONPROFIT HOSPITAL QUALIFIED FOR TAX EXEMPT STATUS. THE HOSPITAL OPERATES ITS FACILITIES IN A MANNER DESCRIBED IN REV. RUL. 69-545, SUPRA. THE HOSPITAL HAS A BOARD OF TRUSTEES COMPOSED OF INDEPENDENT CIVIC LEADERS AND PHYSICIANS. AN OPEN MEDICAL STAFF IS MAINTAINED BY THE HOSPITAL, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS. ALSO, THE HOSPITAL PROVIDES EMERGENCY AND NON-EMERGENCY CARE TO ANYONE REGARDLESS OF THEIR ABILITY TO PAY, EITHER DIRECTLY OR THROUGH THIRD PARTY REIMBURSEMENT, INCLUDING MEDICARE AND MEDICAID. DURING THE YEAR ENDED SEPTEMBER 30, 2011, THE HOSPITAL FURNISHED CHARITY CARE IN THE AMOUNT OF \$12,082,659. IN ADDITION TO PROVIDING PATIENT CHARITY CARE, AND IN FURTHERANCE OF ITS EXEMPT PURPOSE TO BENEFIT THE COMMUNITY, THE HOSPITAL PROVIDES CAR SEATS TO FAMILIES AND NEWBORN INFANTS WHO DO NOT PRESENTLY HAVE OR CANNOT AFFORD TO PURCHASE ONE. IN ADDITION, THE HOSPITAL PROVIDES FREE TAXI SERVICE THROUGH AN AUXILIARY ORGANIZATION FOR INDIVIDUALS THAT CANNOT AFFORD OR ARRANGE FOR TRANSPORTATION TO THEIR RESIDENCE. THE HOSPITAL ALSO PARTICIPATES IN STATE PROGRAMS SUCH AS THE BEST CHANCE NETWORK, WHICH TARGETS LOW-INCOME WOMEN FOR PREVENTATIVE HEALTHCARE. TESTING THE HOSPITAL IS PART OF THE GEORGETOWN HOSPITAL SYSTEM WHICH PERIODICALLY CONDUCTS VARIOUS COMMUNITY OUTREACH, SCREENING, AND EDUCATIONAL PROGRAMS. AMONG THESE ARE WEEKLY CHOLESTEROL AND BLOOD PRESSURE SCREENINGS, AN ANNUAL HEALTH FAIR HELD AT TWO COUNTY LOCATIONS WHICH OFFERS A VARIETY OF HEALTH-RELATED INFORMATION AND SCREENINGS, SUCH AS GLUCOSE, CHOLESTEROL, BLOOD PRESSURE, BODY FAT ANALYSIS, AND A LABORATORY BLOOD PROFILE. THE HOSPITAL SYSTEM'S COMMUNITY EDUCATION PROGRAM CONDUCTS A VARIETY OF CLASSES AND LECTURE OPEN TO THE PUBLIC, INCLUDING CPR, WEIGHT CONTROL, SMOKING CESSATION, CHILDBIRTH EDUCATION, PRE-NATAL AND INFANT NUTRITION, AND OTHERS.</p>				



















[illegible][illegible]

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

4e	Total program service expenses	\$ 100,800,449
-----------	---------------------------------------	-----------------------

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	No
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, line 10? 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	Yes
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	Yes
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? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
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? <i>If "Yes," complete Schedule I, Parts I and III</i>	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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25</i>	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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	26		No
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? <i>If "Yes," complete Schedule L, Part III</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
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? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>			
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	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 <input checked="" type="checkbox"/>			
		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	103
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	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	2a	0
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	
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	Yes
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	Yes
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		
1b	Enter the number of voting members included in line 1a, above, who are independent		
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?		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?	Yes	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Does the organization have members or stockholders?	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	Yes	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	Yes	
8b	Each committee with authority to act on behalf of the governing body?	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		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?	No
10b	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?	
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	Yes
11b	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	Yes
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	Yes
13	Does the organization have a written whistleblower policy?	Yes
14	Does the organization have a written document retention and destruction policy?	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?	
15a	The organization's CEO, Executive Director, or top management official	Yes
15b	Other officers or key employees of the organization	Yes
15c	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?	Yes
16b	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?	Yes

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filedSC

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
TERRY KISER
606 BLACK RIVER RD
GEORGETOWN, SC 29440
(843) 527-7100

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) H MCROY SKIPPER CHAIRMAN	1.00	X		X				0	0	0
(2) ALAN S. ALTMAN VICE CHAIRMAN	1.00	X		X				0	0	0
(3) JULIAN A. REYNOLDS SECRETARY	1.00	X		X				0	0	0
(4) MARTHENA MORANT TRUSTEE	1.00	X						0	0	0
(5) FRANCIS B. FORD JR. TRUSTEE	1.00	X						0	0	0
(6) WALTER F. JOHNSON III TRUSTEE	1.00	X						0	0	0
(7) DR. VICTOR M. DIAZ-GONZALES CHIEF OF STAFF	1.00	X						3,088	0	0
(8) BRUCE BAILEY CEO	16.00			X				207,350	311,024	52,350
(9) TERRY KISER CFO	20.00			X				141,759	140,067	33,668
(10) GAYLE RESETAR COO	22.00			X				186,213	152,357	37,209
(11) RICK KAYLOR CHIEF PLANNING & DEV. OFFICER	18.00			X				115,476	139,268	71,107
(12) FRANK SCAFIDI CHIEF INFORMATION OFFICER	18.00					X		86,942	104,855	65,162
(13) SUZANNE DOSCHER OPERATIONS ADMINISTRATOR	40.00					X		165,187	0	38,096
(14) ANN WATERS ADMIN. OF PATIENT CARE	40.00					X		217,343	0	70,673
(15) JAMES F. HARPER VICE PRESIDENT OF HUMAN RES.	23.00					X		122,320	93,107	67,915
(16) ROY E. GILBREATH III VICE PRESIDENT OF MEDICAL	18.00					X		166,929	201,324	96,642

Part VII

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: 38

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

Form **990** (2010)

Part VIII

Statement of Revenue

			(A)	(B)	(C)	(D)
			Total revenue	Related or exempt function revenue	Unrelated business revenue	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	183,308		
	d	Related organizations	1d			
	e	Government grants (contributions)	1e			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	217,518		
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f		400,826		
	Program Service Revenue	2a	NET PATIENT SERVICES	621400	116,186,211	116,186,211
b		FITNESS CENTER	713940	1,681,659	1,681,659	
c		MEALS	722210	497,126	497,126	
d		ANCILLARY SERVICES	900099	393,201	393,201	
e		OTHER RELATED SERVICE	900099	218,137		218,137
f		All other program service revenue		63,596	63,596	
g		Total. Add lines 2a-2f		119,039,930		
Other Revenue		3	Investment income (including dividends, interest and other similar amounts)		3,442,192	
	4	Income from investment of tax-exempt bond proceeds . .				
	5	Royalties				
	6a	Gross Rents	(i) Real 1,265,443	(ii) Personal		
	b	Less rental expenses				
	c	Rental income or (loss)	1,265,443			
	d	Net rental income or (loss)		1,265,443		1,265,443
	7a	Gross amount from sales of assets other than inventory	(i) Securities 988,178	(ii) Other 340,275		
	b	Less cost or other basis and sales expenses				
	c	Gain or (loss)	988,178	340,275		
	d	Net gain or (loss)		1,328,453		1,328,453
	8a	Gross income from fundraising events (not including \$ 183,308 of contributions reported on line 1c) See Part IV, line 18	a 16,475			
	b	Less direct expenses	b 40,753			
	c	Net income or (loss) from fundraising events . .		-24,278		-24,278
	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 86,549				
b	Less cost of goods sold	b 100,151				
c	Net income or (loss) from sales of inventory . .		-13,602		-13,602	
Miscellaneous Revenue			Business Code			
11a	DISCOUNTS/REBATES	900099	41,984			41,984
b						
c						
d	All other revenue					
e	Total. Add lines 11a-11d		41,984			
12	Total revenue. See Instructions		125,480,948	118,821,793	0	6,258,329

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	258,705	258,705		
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	744,459	3,088	741,371	
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	43,275,135	35,223,669	7,846,123	205,343
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,346,112	1,903,115	431,902	11,095
9	Other employee benefits	9,061,876	7,350,797	1,668,226	42,853
10	Payroll taxes	3,129,143	2,538,293	576,053	14,797
a	Fees for services (non-employees)				
	Management	433,337		433,337	
b	Legal	953,836		953,836	
c	Accounting	56,459		56,459	
d	Lobbying				
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other	4,258,227	4,352,545	-97,961	3,643
12	Advertising and promotion	388,235	8,341	379,894	
13	Office expenses	21,322,159	19,813,002	1,504,327	4,830
14	Information technology				
15	Royalties				
16	Occupancy	2,085,011	2,062,957	22,054	
17	Travel	570,876	256,831	307,419	6,626
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	2,059,585	2,059,585		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	8,717,285	8,717,285		
23	Insurance	602,006		602,006	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	BAD DEBT EXPENSE	16,123,064	16,123,064		
b	RECRUITMENT	485,862		485,862	
c	MISCELLANEOUS EXPENSES	268,357	129,172	117,638	21,547
d					
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	117,139,729	100,800,449	16,028,546	310,734
26	Joint costs. Check here <input checked="" type="checkbox"/> 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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			8,190	1	3,765
	2	Savings and temporary cash investments			45,007,302	2	49,515,515
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			12,213,355	4	11,367,012
	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			4,499,981	8	4,664,171
	9	Prepaid expenses and deferred charges			2,829,070	9	2,729,623
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	206,670,081	91,356,547	10c	88,790,950
	b	Less: accumulated depreciation	10b	117,879,131			
	11	Investments—publicly traded securities			90,004,078	11	87,261,343
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11			37,987,550	13	35,149,966
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			3,258,794	15	4,057,135
	16	Total assets. Add lines 1 through 15 (must equal line 34)			287,164,867	16	283,539,480
Liabilities	17	Accounts payable and accrued expenses			15,094,781	17	16,569,496
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			37,489,998	20	40,711,714
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties			51,664	23	
	24	Unsecured notes and loans payable to unrelated third parties			12,000,000	24	
	25	Other liabilities. Complete Part X of Schedule D			15,778,667	25	17,745,392
	26	Total liabilities. Add lines 17 through 25			80,415,110	26	75,026,602
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			206,357,766	27	207,786,022
	28	Temporarily restricted net assets			391,991	28	726,856
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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			206,749,757	33	208,512,878
	34	Total liabilities and net assets/fund balances			287,164,867	34	283,539,480

Part XI Reconciliation 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	125,480,948
2	Total expenses (must equal Part IX, column (A), line 25)	2	117,139,729
3	Revenue less expenses Subtract line 2 from line 1	3	8,341,219
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	206,749,757
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-6,578,098
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	208,512,878

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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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?		No
b	Were the organization's financial statements audited by an independent accountant?	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	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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> 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?		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		

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 GEORGETOWN MEMORIAL HOSPITAL	Employer identification number 57-0341194
--	--

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?

(i)

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

(ii)

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

(iii)

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

☐

Provide the following information about the supported organization(s)

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

(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?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
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 section 501(c)(3) organization, check this box and stop here 						

Section C. Computation of Public Support Percentage		
15 Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization 		
b 33 1/3% support tests—2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization 		
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions 		

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).

Name of organization GEORGETOWN MEMORIAL HOSPITAL	Employer identification number 57-0341194
---	---

Part I

Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	MR MRS HERBERT D FEINBERG 4516 WAGON RUN MURRELLS INLET, SC 29576	\$ 9,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	NELSON MULLINS RILEY AND SCARBOROUGH PO BOX 3939 MYRTLE BEACH, SC 29577	\$ 7,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
3	ROBINS & MORTON GROUP 400 SHADES CREEK PARKWAY BIRMINGHAM, AL 35209	\$ 12,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
4	YAWKEY FOUNDATION 990 WASHINGTON STREET DEDHAM, MA 02026	\$ 30,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
5	MRS ALYCE P FLENNIKEN 213 GREENWICH DRIVE GEORGETOWN, SC 29440	\$ 40,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
6	MR MRS RICHARD M MCELVEEN 1872 MIDDLETON STREET GEORGETOWN, SC 29442	\$ 20,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

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 GEORGETOWN MEMORIAL HOSPITAL	Employer identification number 57-0341194
--	--

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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		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		
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														
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-															
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?		<input type="checkbox"/> Yes <input type="checkbox"/> No													

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 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)		(b)
		Yes	No	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?	Yes		50
	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		3,980
	j Total lines 1c through 1i			4,030
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 HOSPITAL IS A MEMBER OF BOTH THE AMERICAN HOSPITAL ASSOCIATION (AHA) AND THE SOUTH CAROLINA HOSPITAL ASSOCIATION (SCHA) THESE ORGANIZATIONS ENGAGE IN LOBBYING FOR THE BENEFIT OF THEIR MEMBERSHIP BODIES, AND A PORTION OF THE MEMBERSHIP DUES PAID TO THE ORGANIZATIONS IS ATTRIBUTABLE TO LOBBYING EXPENDITURES FOR THE YEAR, THE PORTION OF DUES ATTRIBUTABLE TO LOBBYING EXPENDITURES WAS \$1,218 FOR AHA AND \$2,762 FOR SCHA

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
GEORGETOWN MEMORIAL HOSPITAL

Employer identification number
57-0341194

Part I

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

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

Part II

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically 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

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 8/17/06

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, 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
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
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

(i)

unrelated organizations

3a(i)

☐ Yes

☐ No

(ii)

related organizations

3a(ii)

☐ Yes

☐ No

b

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

3b

☐ Yes

☐ No

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		16,937,678		16,937,678
b Buildings		88,369,318	36,285,060	52,084,258
c Leasehold improvements		2,944,505	2,097,996	846,509
d Equipment		97,847,295	79,496,075	18,351,220
e Other		571,285		571,285
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				88,790,950

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	125,480,948
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	117,139,729
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	8,341,219
4	Net unrealized gains (losses) on investments	4	-5,500,999
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-1,077,099
9	Total adjustments (net) Add lines 4 - 8	9	-6,578,098
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	1,763,121

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	118,943,603
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	-5,500,999
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-1,036,346
e	Add lines 2a through 2d	2e	-6,537,345
3	Subtract line 2e from line 1	3	125,480,948
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	0
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	125,480,948

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements	1	117,180,482
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	40,753
e	Add lines 2a through 2d	2e	40,753
3	Subtract line 2e from line 1	3	117,139,729
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	0
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	117,139,729

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
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	GEORGETOWN MEMORIAL HOSPITAL HAS BEEN GRANTED EXEMPTION FROM INCOME TAXES AS AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. ACCORDINGLY, THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS DO NOT INCLUDE A PROVISION FOR INCOME TAXES. THE HOSPITAL HAS DETERMINED THAT IT DOES NOT HAVE ANY MATERIAL UNRECOGNIZED TAX BENEFITS OR OBLIGATIONS AS OF SEPTEMBER 30, 2011. FISCAL YEARS ENDING ON OR AFTER SEPTEMBER 30, 2008 REMAIN SUBJECT TO EXAMINATION BY FEDERAL AND STATE TAX AUTHORITIES.
PART XI, LINE 8 - OTHER ADJUSTMENTS		CHANGE IN ADDITIONAL PENSION LIABILITY -1,102,637 EQUITY TRANSFER TO AFFILIATE 25,538
PART XII, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN ADDITIONAL PENSION LIABILITY -1,102,637 FUNDRAISING EVENT DIRECT EXPENSES 40,753 EQUITY TRANSFER TO AFFILIATE 25,538
PART XIII, LINE 2D - OTHER ADJUSTMENTS		FUNDRAISING EVENT DIRECT EXPENSES 40,753

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
GEORGETOWN MEMORIAL HOSPITAL

Employer identification number
57-0341194

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a** ☐ Mail solicitations
- b** ☐ Internet and e-mail solicitations
- c** ☐ Phone solicitations
- d** ☐ In-person solicitations
- e** ☐ Solicitation of non-government grants
- f** ☐ Solicitation of government grants
- g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

[illegible]

Part II Fundraising Events.

Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		WOMEN'S BOARD GALA (event type)	BREAST CANCER AWARENESS WALK (event type)	3 (total number)	(Add col (a) through col (c))
Revenue	1	Gross receipts	64,883	65,200	69,700
	2	Less Charitable contributions	61,053	65,200	57,055
	3	Gross income (line 1 minus line 2)	3,830		12,645
Direct Expenses	4	Cash prizes			
	5	Non-cash prizes		2,200	2,200
	6	Rent/facility costs		11,000	11,000
	7	Food and beverages	8,826	1,180	10,006
	8	Entertainment	1,500	200	1,700
	9	Other direct expenses	3,768	12,079	15,847
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			
	11	Net income summary Combine lines 3 and 10 in column (d). ▶			

Part III Gaming.

Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(Add col (a) through col (c))
Revenue	1	Gross revenue			
	2	Cash prizes			
Direct Expenses	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶			
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶			

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," Explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," Explain _____

11

Does the organization operate gaming activities with nonmembers?

☐ Yes ☐ No

12

Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

☐ Yes ☐ No

13

Indicate the percentage of gaming activity operated in

a	The organization's facility	13a
b	An outside facility	13b

14

Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ _____

Address ▶ _____

15a

Does the organization have a contract with a third party from whom the organization receives gaming revenue?

☐ Yes ☐ No

b

If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____

c

If "Yes," enter name and address

Name ▶ _____

Address ▶ _____

16 Gaming manager information

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

☐ Director/officer ☐ Employee ☐ Independent contractor

17

Mandatory distributions

a

Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

☐ Yes ☐ No

b

Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation
------------	-----------------	-------------

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
GEORGETOWN MEMORIAL HOSPITAL

Employer identification number
57-0341194

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	Yes	
b	If "Yes," is it a written policy?	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 <input checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Applied uniformly to most hospitals <input type="checkbox"/> 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 <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ % b Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input checked="" type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ % c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care 4 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"?	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a	Does the organization prepare a community benefit report during the tax year?	Yes	
6b	If "Yes," did the organization make it available to the public?	Yes	
	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)			3,840,653	1,417,825	2,422,828	2 400 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			16,619,272	13,280,010	3,339,262	3 310 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			20,459,925	14,697,835	5,762,090	5 710 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			492,701		492,701	0 490 %
f Health professions education (from Worksheet 5)			72,006		72,006	0 070 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			204,950	38,531	166,419	0 160 %
j Total Other Benefits			769,657	38,531	731,126	0 720 %
k Total. Add lines 7d and 7j			21,229,582	14,736,366	6,493,216	6 430 %

Part IICommunity 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
1Physical improvements and housing						
2Economic development						
3Community support						
4Environmental improvements			10,800		10,800	0 010 %
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development			399,519		399,519	0 400 %
9Other						
10Total			410,319		410,319	0 410 %

Part IIIBad 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	Yes
2	Enter the amount of the organization's bad debt expense (at cost)	2	5,124,956
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	3,834,207
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	34,372,285
6	Enter Medicare allowable costs of care relating to payments on line 5	6	39,071,521
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-4,699,236
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: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

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

Part IVManagement 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 1 WACCAMAW ENDOSCOPY CENTER	HEALTHCARE SERVICES	50 000 %		50 000 %
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Schedule H (Form 990) 2010

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? 7

Name and address		Type of Facility (Describe)
1	NEXTSTEP PHYSICAL THERAPY & PAIN MGMT CE 219 CHURCH STREET GEORGETOWN, SC 29440	ADULT REHAB/PAIN MGMT
2	NEXTSTEP PHYSICAL THERAPY & PAIN MGMT CE 219 CHURCH STREET GEORGETOWN, SC 29440	ADULT REHAB/PAIN MGMT
3	NEXTSTEP PHYSICAL THERAPY & PAIN MGMT CE 219 CHURCH STREET GEORGETOWN, SC 29440	ADULT REHAB/PAIN MGMT
4	NEXTSTEP PHYSICAL THERAPY & PAIN MGMT CE 219 CHURCH STREET GEORGETOWN, SC 29440	ADULT REHAB/PAIN MGMT
5	NEXTSTEP PHYSICAL THERAPY & PAIN MGMT CE 219 CHURCH STREET GEORGETOWN, SC 29440	ADULT REHAB/PAIN MGMT
6	NEXTSTEP PHYSICAL THERAPY & PAIN MGMT CE 219 CHURCH STREET GEORGETOWN, SC 29440	ADULT REHAB/PAIN MGMT
7	NEXTSTEP PHYSICAL THERAPY & PAIN MGMT CE 219 CHURCH STREET GEORGETOWN, SC 29440	ADULT REHAB/PAIN MGMT
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, 6l, 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 6A THE HOSPITAL PREPARES AN ANNUAL COMMUNITY BENEFIT REPORT AND DISTRIBUTES TO RESIDENTS OF THE SURROUNDING COUNTIES THE REPORT OFFERS STATISTICAL, FINANCIAL AND INFORMATIONAL DATA, TARGETED TO PORTRAY THE VITAL COMMITMENT THE ORGANIZATION HAS TO THE COMMUNITY THE REPORT IS MAILED TO HOMES THROUGHOUT THE COMMUNITY AND CAN BE ACCESSED BY VISITING OUR WEBSITE AT WWW.GEORGETOWNHOSPITALSYSTEM.ORG

Identifier	ReturnReference	Explanation
		PART I, LINE 7 THE ORGANIZATION USED WORKSHEET 2 OF THE 2010 SCHEDULE H INSTRUCTIONS TO COMPUTE A COST-TO-CHARGES RATIO USED TO CALCULATE CHARITY CARE AND UNREIMBURSED MEDICAID AT COST

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) TOTAL EXPENSES REPORTED ON FORM 990, PART IX, LINE 25 CONTAINS A BAD DEBT EXPENSE OF \$16,123,064 THAT HAS BEEN REMOVED FOR PURPOSES OF COMPUTING PERCENTAGE OF TOTAL EXPENSE ON COLUMN (F)

Identifier	ReturnReference	Explanation
		PART II THE ORGANIZATION ENGAGES IN RECYCLING AND WASTE REDUCTION EFFORTS TO REDUCE ITS FOOTPRINT ON THE ENVIRONMENT AND PROVIDE FOR A CLEANER COMMUNITY IN ADDITION,\$390,000 WAS SPENT TO RECRUIT PHYSICIANS WITH THE SKILLS AND TRAINING NECESSARY TO BEST SERVE THE NEEDS OF THE COMMUNITY IN AREAS SUCH AS ORTHOPEDICS, FAMILY AND INTERNAL MEDICINE, PEDIATRICS, AND GASTROENTEROLOGY

Identifier	ReturnReference	Explanation
		PART III, LINE 4 THE ORGANIZATION'S FINANCIAL STATEMENTS DO NOT INCLUDE FOOTNOTE ON BAD DEBT EXPENSE WORKSHEET 2 OF THE 2010 SCHEDULE H INSTRUCTIONS WAS USED TO COMPUTE A COST-TO-CHARGES RATIO USED TO CALCULATE BAD DEBT EXPENSE AT COST FOR PURPOSES OF LINE PART III, LINES 2 AND 3 THE PERCENTAGE OF FAMILIES BELOW THE POVERTY LEVEL IN THE AREA SERVED IS USED TO ESTIMATE THE PERCENTAGE OF NET REVENUE EXPECTED TO BE AWARDED CHARITY CARE THE VARIANCE WITH ACTUAL CHARITY CARE ADJUSTMENTS IS THE AMOUNT OF THE ORGANIZATION'S BAD DEBT ATTRIBUTED TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY

Identifier	ReturnReference	Explanation
		PART III, LINE 8 THE MEDICARE COST REPORT WAS USED TO CALCULATE THE OVERALL SHORTFALL THE ORGANIZATION BELIEVES THE ENTIRE SHORTFALL SHOULD BE CONSIDERED COMMUNITY BENEFIT 50% OF THE ORGANIZATION'S PAYER MIX IS DEVOTED TO MEDICARE

Identifier	ReturnReference	Explanation
		PART III, LINE 9B GEORGETOWN HOSPITAL SYSTEM HAS A PROCESS IN PLACE TO ASSIST PATIENTS IN UNDERSTANDING THEIR FINANCIAL RESPONSIBILITY, BEGINNING WITH SCHEDULING AND REGISTRATION SIGNAGE AND FINANCIAL RESPONSIBILITY BROCHURES ARE CLEARLY DISPLAYED THROUGHOUT THE REGISTRATION AREAS OF THE SYSTEM THIS INFORMATION DETAILS THE POTENTIAL PATIENT RESPONSIBILITY AND ALSO PROVIDES INFORMATION ON THE AVAILABLE PROGRAMS IN THE EVENT THE PATIENT CAN NOT PAY THE BILL IF THE PATIENT COMMUNICATES THEIR INABILITY TO PAY, THE FINANCIAL ASSISTANCE PROGRAM IS REVIEWED AND THE PATIENT IS DIRECTED TO THE FINANCIAL ASSISTANCE DEPARTMENT COLLECTION PRACTICES WILL CONTINUE AS NORMAL UNTIL THE PATIENT PROVIDES ALL NECESSARY PAPERWORK TO BE OFFICIALLY CONSIDERED FOR FINANCIAL ASSISTANCE ONCE FINANCIAL ASSISTANCE IS GRANTED, COLLECTION PRACTICES WILL EITHER CEASE, OR CONTINUE AT A REDUCED PATIENT RESPONSIBILITY

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 THE ORGANIZATION ASSESSES THE HEALTHCARE NEEDS OF THE COMMUNITY WITH THE ASSISTANCE OF STATE AND INTERNAL REPORTING INFORMATION THE INFORMATION IS INTERPRETED, REVIEWED AND ANALYZED IF A NEED IS PRESENT, A STRATEGIC PLAN IS DEVELOPED, WITH THE GOAL OF PROVIDING AS MANY LOCAL SERVICES AS POSSIBLE THE PLAN IS THEN PRESENTED TO THE BOARD FOR APPROVAL ONCE BOARD APPROVAL IS RECEIVED, THE IMPLEMENTATION PROCESS BEGINS THE ORGANIZATION'S COMMUNITY HEALTH PROGRAM'S OBJECTIVE IS TO ENHANCE THE HEALTH CARE STATUS OF THE COMMUNITY, PROVIDING EDUCATION, SCREENINGS, AND REGULAR FOLLOW UP TO ENSURE READY ACCESS TO QUALITY HEALTHCARE

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 THE ORGANIZATION REGULARLY ADVERTISES THE AVAILABLE STATE, FEDERAL, AND LOCAL FINANCIAL ASSISTANCE PROGRAMS ALL PATIENTS ARE EDUCATED AT THE TIME OF REGISTRATION ON FINANCIAL ASSISTANCE PROGRAMS AVAILABLE IN ADDITION, ALL PATIENTS WITHOUT INSURANCE ARE SCREENED FOR AVAILABLE STATE AND FEDERAL PROGRAMS PATIENTS NOT MEETING STATE AND FEDERAL PROGRAM GUIDELINES ARE PROVIDED A ONE-ON-ONE CONSULTATION FOR LOCAL FINANCIAL ASSISTANCE, IF DESIRED THE HOSPITAL FEATURES SIGNAGE AND BROCHURES THROUGHOUT THE REGISTRATION AREAS THAT OUTLINE RESPONSIBILITIES AND OPTIONS

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 THE ORGANIZATION SERVES THE SOUTH CAROLINA COUNTIES OF HORRY AND GEORGETOWN, AS WELL AS OUTLYING AREAS HORRY COUNTY (1,100 SQ MILES) HAS A POPULATION OF APPROXIMATELY 269,000 17% OF THE POPULATION IS OVER THE AGE OF 65 AND THE MEDIAN HOUSEHOLD INCOME IS APPROXIMATELY \$43,000 IN ADDITION, AN ESTIMATED 16% OF THE POPULATION IS BELOW THE POVERTY LEVEL GEORGETOWN COUNTY (815 SQ MILES) HAS A POPULATION OF APPROXIMATELY 60,000 PEOPLE AND AN ESTIMATED 20% OF THE POPULATION IS OVER THE AGE OF 65 THE MEDIAN HOUSEHOLD INCOME IS APPROXIMATELY \$43,000 AND AN ESTIMATED 20% OF THE POPULATION IS BELOW THE POVERTY LEVEL COMPETING HOSPITALS ARE LOCATED APPROXIMATELY 40-45 MILES NORTH AND NORTHWEST AND 60 MILES SOUTH MAJOR SURROUNDING CITIES INCLUDE CHARLESTON, SC (60 MILES), COLUMBIA, SC (150 MILES) AND CHARLOTTE, NC (215 MILES)

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 A MAJORITY OF THE ORGANIZATION'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA AND WHO ARE NEITHER EMPLOYEES OR INDEPENDENT CONTRACTORS OF THE ORGANIZATION, NOR FAMILY MEMBERS THEREOF THE ORGANIZATION EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN THE COMMUNITY FOR MANY OF ITS DEPARTMENTS USAGE OF THE ORGANIZATION'S SURPLUS OF FUNDS IS DESCRIBED ON FORM 990, PART III, HOWEVER IN GENERAL, A SURPLUS OF FUNDS IS USED TO REINVEST IN PROPERTY AND EQUIPMENT IN ORDER TO CONTINUE PROVIDING TO THE PUBLIC THE BEST IN PATIENT CARE AND TECHNOLOGY

Identifier	ReturnReference	Explanation
		PART VI, LINE 7 GEORGETOWN MEMORIAL HOSPITAL IS PART OF GEORGETOWN HOSPITAL SYSTEM GEORGETOWN HOSPITAL SYSTEM IS A RELATED 501(C)(3) HEALTHCARE ORGANIZATION

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	SC

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization
GEORGETOWN MEMORIAL HOSPITAL

Employer identification number
57-0341194

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

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

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed. ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2

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

▶ 11

3

Enter total number of other organizations

▶ 3

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

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

Part IV

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 THE ORGANIZATION SELECTS GRANT RECIPIENTS BASED ON COMMUNITY NEEDS AND INDIVIDUAL PROJECT MERIT FOLLOW-UP ON GRANTS AND ASSISTANCE VARIES DEPENDING ON THE TYPE OF ASSISTANCE AND TYPE OF PROJECT MANY SMALLER GRANTS ARE PROVIDED FOR LOCAL SCHOOLS AND PUBLIC CHARITIES BASED ON A DEMONSTRATED NEED FOR OPERATIONAL FUNDS AND REQUIRE NO MONITORING LARGER GRANTS, REQUIRE PRE-ESTABLISHED PROJECT MILESTONES TO BE REACHED BEFORE EACH DISBURSEMENT OF THE GRANT IS PAID OUT

Software ID:
Software Version:
EIN: 57-0341194
Name: GEORGETOWN MEMORIAL HOSPITAL

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HORRY GEORGETOWN TECHNICAL COLLEGE FOUNDATION INCPO BOX 261966 CONWAY,SC 29528	57-0681224	501(C)(3)	5,000				OPERATIONAL SUPPORT
GEORGETOWN COUNTY UNITED WAYPO BOX 1065 GEORGETOWN,SC 29442	57-0526145	501(C)(3)	5,000				OPERATIONAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MARCH OF DIMES FOUNDATION314 LAUREL STREET SUITE 201 CONWAY,SC 29526	13-1846366	501(C)(3)	5,000				OPERATIONAL SUPPORT
AMERICAN CANCER SOCIETY950 48TH AVE N SUITE 101 MYRTLE BEACH,SC 29577	13-1788491	501(C)(3)	5,000				OPERATIONAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SMITH MEDICAL CLINIC PO BOX 1740 PAWLEYS ISLAND, SC 29585	57-0786699	501(C)(3)	25,000				OPERATIONAL SUPPORT
ST JAMES HIGH SCHOOL SHARKS BOOSTER CLUB PO BOX 4140 MURRELLS INLET, SC 29576	33-1022599	501(C)(3)	5,000				OPERATIONAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AMERICAN HEART ASSOCIATION (MID-ATLANTIC AFFILIATE) 4217 PARK PLACE COURT GLEN ALLEN,VA 23060	13-5613797	501(C)(3)	10,000				OPERATIONAL SUPPORT
HEALTHY LEARNERS PROGRAM 2711 MIDDLEBURG DRIVE SUITE 206 COLUMBIA,SC 29204	57-1127197	501(C)(3)	50,000				OPERATIONAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
THE ASHELEY G CHARITABLE FOUNDATIONPO BOX 14 PAWLEYS ISLAND,SC 29585	26-2115367	501(C)(3)	5,000				OPERATIONAL SUPPORT
THE FOUNDATION OF THE NATIONAL STUDENT NURSES ASSOCIATION INC45 MAIN STREET SUITE 606 BROOKLYN,NY 11201	13-3123125	501(C)(3)	7,500				OPERATIONAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
GEORGETOWN COUNTY FAMILY YMCAPO BOX 1087 GEORGETOWN, SC 29442	57-0747196	501(C)(3)	125,000				OPERATIONAL SUPPORT
GEORGETOWN HIGH SCHOOL BULLDOG ATHLETICS25000 ANTHUAN MAYBANK DR GEORGETOWN, SC 29440			5,000				OPERATIONAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
WACCAMAW HIGH SCHOOL ATHLETICS2412 KINGS RIVER RD PAWLEYS ISLAND,SC 29585			5,000				OPERATIONAL SUPPORT
CARVERS BAY SCHOOL ALL SPORTS BOOSTER CLUB13002 CHOPEE ROAD HEMINGWAY,SC 29554			5,000				OPERATIONAL SUPPORT

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2010

Open to Public Inspection

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.

Name of the organization
GEORGETOWN MEMORIAL HOSPITAL

Employer identification number
57-0341194

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
1b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. <div><div><input type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div><div><input type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input type="checkbox"/> Approval by the board or compensation committee</div></div>		
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:		
4a	Receive a severance payment or change-of-control payment from the organization or a related organization?		No
4b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?		No
4c	Participate in, or receive payment from, an equity-based compensation arrangement?		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:		
5a	The organization?	Yes	
5b	Any related organization?	Yes	
	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:		
6a	The organization?	Yes	
6b	Any related organization?	Yes	
	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		No
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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) BRUCE BAILEY	(i)	152,549	42,896	11,905	3,430	17,510	228,290	0
	(ii)	228,823	64,344	17,857	5,145	26,265	342,434	0
(2) TERRY KISER	(i)	127,183	0	14,576	4,313	12,622	158,694	0
	(ii)	125,665	0	14,402	4,262	12,471	156,800	0
(3) GAYLE RESETAR	(i)	140,054	37,710	8,449	4,716	15,749	206,678	0
	(ii)	114,590	30,854	6,913	3,859	12,885	169,101	0
(4) RICK KAYLOR	(i)	80,862	24,274	10,340	10,499	21,734	147,709	0
	(ii)	97,523	29,275	12,470	12,662	26,212	178,142	0
(5) FRANK SCAFIDI	(i)	66,060	10,450	10,432	10,487	19,051	116,480	0
	(ii)	79,671	12,603	12,581	12,648	22,976	140,479	0
(6) SUZANNE DOSCHER	(i)	127,172	23,413	14,602	5,798	32,298	203,283	0
	(ii)	0	0	0	0	0	0	0
(7) ANN WATERS	(i)	145,991	31,714	39,638	25,769	44,904	288,016	0
	(ii)	0	0	0	0	0	0	0
(8) JAMES F HARPER	(i)	85,528	18,695	18,097	13,438	25,124	160,882	0
	(ii)	65,102	14,230	13,775	10,229	19,124	122,460	0
(9) ROY E GILBREATH III	(i)	132,574	25,333	9,022	10,954	32,854	210,737	0
	(ii)	159,890	30,553	10,881	13,211	39,623	254,158	0
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								

Part IIISupplemental 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
	PART I, LINE 5	INCENTIVE COMPENSATION PAID TO THE OFFICERS OF THE ORGANIZATION IS CONTINGENT UPON QUALITY INDICATORS, NET REVENUES, AND THE OVERALL PROFITABILITY OF THE ORGANIZATION. IF PREDETERMINED GOALS ARE MET, INCENTIVE COMPENSATION IS PAID TO THE OFFICER IN ACCORDANCE WITH AN INCENTIVE COMPENSATION PROGRAM. SEE PART II, COLUMN (B)(II).
	PART I, LINE 6	SEE THE RESPONSE TO LINE 5A AND 5B.
SUPPLEMENTAL INFORMATION	PART III	PART I, LINE 3: THE ORGANIZATION RELIES ON THE BOARD OF ITS SOLE MEMBER ORGANIZATION TO NEGOTIATE AND ESTABLISH THE COMPENSATION AGREEMENTS FOR ITS CEO AND OTHER OFFICERS. THE BOARD OF GEORGETOWN HOSPITAL SYSTEM USES THE FOLLOWING METHODS TO DETERMINE COMPENSATION: - COMPENSATION COMMITTEE - INDEPENDENT COMPENSATION CONSULTANTS - COMPENSATION STUDY/SURVEY - APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE. THE BOARD OF GEORGETOWN HOSPITAL SYSTEM IS A MAJORITY INDEPENDENT. PART II, COMPENSATION FROM UNRELATED ORGANIZATION: COMPENSATION PAID TO BRUCE BAILEY, TERRY KISER, GAYLE RESETAR, AND SUZANNE DOSCHER WAS PAID THROUGH QUORUM HEALTH RESOURCES (QHR), AN UNRELATED MANAGEMENT COMPANY. SEE THE RESPONSE TO PART VI, LINE 3 ON SCHEDULE O FOR DETAILS ON THE ARRANGEMENT. ALL AMOUNTS LISTED ON SCHEDULE J, PART II, LINE (I AND II) FOR EACH INDIVIDUAL ARE FROM QHR, EXCEPT FOR SMALL AUTOMOTIVE STIPENDS PAID DIRECTLY BY THE ORGANIZATION. IN ADDITION, BRUCE BAILEY, TERRY KISER, GAYLE RESETAR, RICK KAYLOR, JAMES F. HARPER, AND ROY E. GILBREATH III ARE COMPENSATED BY A COMMON PAYING AGENT FOR SERVICES PERFORMED FOR BOTH GEORGETOWN MEMORIAL HOSPITAL AND A RELATED ORGANIZATION. COMPENSATION FOR THESE INDIVIDUALS IS PRESENTED TO REFLECT AN ALLOCATION OF SERVICES PERFORMED FOR THESE ORGANIZATIONS.

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
GEORGETOWN MEMORIAL HOSPITAL

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

Employer identification number
57-0341194

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 SC JOBS - ECONOMIC DEVELOPMENT AUTHORITY	57-0960018	NONEAVAIL	12-22-2010	30,000,000	CAPITAL ACQUISITION		X		X		X
B SC JOBS - ECONOMIC DEVELOPMENT AUTHORITY	57-0960018	NONEAVAIL	09-22-2011	25,565,000	CURRENT REFUNDING		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds legally defeased								
3	Total proceeds of issue	10,000,000		9,350,748					
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrow								
7	Issuance costs from proceeds	82,807		94,698					
8	Credit enhancement from proceeds	46,050		46,050					
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	4,587,402							
11	Other spent proceeds	9,210,000		9,210,000					
12	Other unspent proceeds	5,329,791							
13	Year of substantial completion	2012		2001					
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X	X					
15	Were the bonds issued as part of an advance refunding issue?		X		X				
16	Has the final allocation of proceeds been made?		X	X					
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		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 IIIPrivate 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 IVArbitrage

		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		X				
2	Is the bond issue a variable rate issue?	X		X					
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X		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		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		X				
6	Did the bond issue qualify for an exception to rebate?		X	X					

Part VSupplemental Information

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

Identifier	Return Reference	Explanation

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
GEORGETOWN MEMORIAL HOSPITAL

Employer identification number
57-0341194

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	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?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total										

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
(1) BEVERLY SUE SKIPPER	FAMILY MEMBER OF BOARD TRUSTEE H MCROY SKIPPER	26,070	COMPENSATION AS EMPLOYEE OF ORGANIZATION AMOUNT SHOWN ON SCHEDULE L REPRESENTS GMH'S ALLOCATED PORTION OF TOTAL SALARY PAID FROM A RELATED ORGANIZATION THE INDIVIDUAL RECEIVED \$57,512 IN TOTAL FOR SERVICES RENDERED TO ALL RELATED ORGANIZATIONS		No
(2) BECCA KAYLOR	FAMILY MEMBER OF OFFICER RICK KAYLOR	19,967	COMPENSATION AS EMPLOYEE OF ORGANIZATION AMOUNT SHOWN ON SCHEDULE L REPRESENTS GMH'S ALLOCATED PORTION OF TOTAL SALARY PAID FROM A RELATED ORGANIZATION THE INDIVIDUAL RECEIVED \$44,048 IN TOTAL FOR SERVICES RENDERED TO ALL RELATED ORGANIZATIONS		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
------------	------------------	-------------

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 GEORGETOWN MEMORIAL HOSPITAL	Employer identification number 57-0341194
--	--

Identifier	Return Reference	Explanation
EMPLOYEES REPORTED ON FORM W-3	FORM 990, PART V, LINE 2A	THE ORGANIZATION HAS NO DIRECT EMPLOYEES. GEORGETOWN HOSPITAL SYSTEM, A RELATED ORGANIZATION, FILES PAYROLL FOR THE ORGANIZATION. THE NUMBER OF EMPLOYEES REPORTED BY GEORGETOWN HOSPITAL SYSTEM THAT ARE RELATED TO THE ORGANIZATION IS 1,034.

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 1		THE ORGANIZATION HAS AN EXECUTIVE COMMITTEE, FINANCE COMMITTEE, AND COMPENSATION COMMITTEE THAT HAVE LIMITED POWERS DELEGATED FROM THE FULL VOTING BOARD OF DIRECTORS. THE EXECUTIVE COMMITTEE IS COMPRISED OF FIVE OR MORE MEMBERS, INCLUDING FOUR WHO ARE ALSO MEMBERS OF THE MEMBER ORGANIZATION'S BOARD OF DIRECTORS. THE FINANCE COMMITTEE CONTAINS FOUR OR MORE MEMBERS INCLUDING THE TREASURER OF THE MEMBER ORGANIZATION. THE COMPENSATION COMMITTEE IS AS APPOINTED BY THE CHAIRMAN OF THE BOARD.

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 3		THE BOARD OF DIRECTORS HAS ENTERED A MANAGEMENT AGREEMENT WITH QUORUM HEALTH RESOURCES TO PROVIDE KEY MANAGEMENT EMPLOYEES FOR THE ORGANIZATION. THE CEO, CFO, AND COO ARE EMPLOYEES OF QUORUM AND ARE COMPENSATED DIRECTLY BY THAT ORGANIZATION. THE QUORUM EMPLOYEES ARE ACCOUNTABLE TO THE BOARD OF DIRECTORS OF THE HOSPITAL.

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		THE ORGANIZATION IS A MEMBER ORGANIZATION WITHIN THE MEANING OF THE SOUTH CAROLINA NONPROFIT CORPORATION ACT OF 1994 THE SOLE MEMBER OF THE CORPORATION IS GEORGETOWN HOSPITAL SYSTEM

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		THE SOLE MEMBER HAS THE SOLE AUTHORITY TO APPOINT OR REMOVE A TRUSTEE OR THE CHIEF EXECUTIVE OFFICER OF THE ORGANIZATION

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B		THE SOLE MEMBER HAS THE SOLE AUTHORITY TO (1) DIRECT HEALTHCARE SERVICES UNDERTAKEN BY THE ORGANIZATION, INCLUDING THE ADDITION OR DELETION OF CLINICAL SERVICE LINES, AND AUDIT COMPLIANCE WITH SUCH DIRECTIVES, (2) VETO POLICIES AND PROCEDURES, (3) REQUIRE DISTRIBUTION OF INCOME, ASSETS, OR OTHER PROPERTY FROM, OR MAKE CONTRIBUTIONS TO THE ORGANIZATION TO ACHIEVE THE MUTUAL OBJECTIVES OF THE ORGANIZATION AND THE SOLE MEMBER, (4) APPROVE BUDGETS, (5) AUTHORIZE CAPITAL TRANSACTIONS, (6) ADOPT A PLAN OF DISSOLUTION, (7) ADMIT NEW MEMBERS TO THE ORGANIZATION, (8) AMEND THE ARTICLES OF THE ORGANIZATION, AND (9) NEGOTIATE AND AUTHORIZE MANAGEMENT AGREEMENTS WITH THIRD PARTIES

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE RETURN WAS PREPARED BY AN OUTSIDE ACCOUNTING FIRM WITH THE ASSISTANCE AND OVERSIGHT OF MANAGEMENT. A REPRESENTATIVE OF THE ACCOUNTING FIRM PRESENTED THE RETURN TO THE FINANCE COMMITTEE WITH MANAGEMENT AND ANSWERED QUESTIONS FROM BOARD MEMBERS. THE CEO AND CFO THEN REVIEWED THE FORM WITH ALL BOARD MEMBERS, AS EVIDENCED IN THE BOARD MINUTES. A COPY OF THE RETURN WAS PROVIDED TO EACH VOTING BOARD MEMBER. AFTER A DISCUSSION PERIOD, THE BOARD VOTED TO APPROVE THE FILING OF THE FORM 990 WITH THE IRS AS PRESENTED. THE CFO/CEO MET IN PERSON WITH ANY MEMBERS ABSENT FROM THE MEETING TO DISCUSS THE RETURN.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	THE ORGANIZATION HAS A CONFLICT OF INTEREST POLICY WHICH IS REVIEWED, ACCEPTED, AND SIGNED BY EACH OFFICER AND VOTING BOARD MEMBER ON AN ANNUAL BASIS. PURSUANT TO THIS POLICY, EACH OFFICER AND BOARD MEMBER WILL RECUSE HIMSELF OR HERSELF FROM ANY DISCUSSIONS AND VOTES FOR WHICH A CONFLICT EXISTS. DETERMINATION OF WHETHER A CONFLICT EXISTS IS MADE AT A MANAGEMENT, BOARD MEMBER, OFFICER, AND INDIVIDUAL LEVEL. ACTUAL CONFLICTS ARE REVIEWED BY MANAGEMENT AND THE BOARD WITHOUT THE PRESENCE OF THE INTERESTED PARTY.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE ORGANIZATION USES OUTSIDE AGENCIES TO ESTABLISH, ASSESS THE REASONABLENESS OF, REVIEW, AND APPROVE THE COMPENSATION OF DIRECTORS AND KEY MANAGEMENT THE INDIVIDUAL COMPENSATION PACKAGE OF EACH PERSON IS BASED ON COMPARABILITY FACTORS INCLUDING, BUT NOT LIMITED TO, THE SIZE OF THE ORGANIZATION, THE GEOGRAPHICAL LOCATION OF THE ORGANIZATION, AND THE EMPLOYEE'S LENGTH OF SERVICE. COMPENSATION IS THEN REVIEWED AND APPROVED BY OFFICERS OF THE ORGANIZATION. OFFICER COMPENSATION IS APPROVED BY THE BOARD OR CEO THROUGH CONTRACT NEGOTIATION WITH THE OUTSIDE MANAGMENT CORPORATION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 18	PHOTOCOPIES OF THE FORM 990 ARE AVAILABLE UPON REQUEST AT THE ORGANIZATION'S ADMINISTRATIVE OFFICE. IN ADDITION, RECENT FILINGS OF THE FORM 990 ARE AVAILABLE ONLINE AT WWW.GUIDESTAR.ORG

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	PHOTOCOPIES OF THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY , AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST AT THE ORGANIZATION'S ADMINISTRATIVE OFFICE

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -5,500,999 CHANGE IN ADDITIONAL PENSION LIABILITY -1,102,637 EQUITY TRANSFER TO AFFILIATE 25,538 TOTAL TO FORM 990, PART XI, LINE 5 -6,578,098

Identifier	Return Reference	Explanation
	FORM 990, PART XII, LINE 2C	THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR

Identifier	Return Reference	Explanation
FORMER CHIEFS OF STAFF	FORM 990, PART VII, LINE 1A	FORMER CHIEFS OF STAFF MAY CONTINUE TO BE COMPENSATED FOR EMERGENCY ROOM CALL PAY, COMMITTEE PAY, ETC

Identifier	Return Reference	Explanation
AVERAGE HOURS PER WEEK	FORM 990, PART VII, LINE 1A	OFFICERS BRUCE BAILEY , TERRY KISER, GAYLE RESETAR, RICK KAYLOR, AND HIGHEST COMPENSATED EMPLOYEES JAMES HARPER, FRANK SCAFIDI AND ROY GILBREATH DEVOTE A PORTION OF THEIR WORK WEEK TO WACCAMAW COMMUNITY HOSPITAL, AN AFFILIATED NON-PROFIT ORGANIZATION HOURS LISTED ON PART VII, LINE 1A REPRESENT THE AVERAGE TIME SPENT FOR GEORGETOWN MEMORIAL HOSPITAL

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
GEORGETOWN MEMORIAL HOSPITAL

Employer identification number
57-0341194

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) GEORGETOWN HOSPITAL SYSTEM PO DRAWER 1718 GEORGETOWN, SC 29442 02-0598440	HEALTHCARE	SC	501(C)(3)	LINE 11A, I			No
(2) WACCAMAW COMMUNITY HOSPITAL PO BOX 3350 MURRELLS INLET, SC 29576 04-3633263	HEALTHCARE	SC	501(C)(3)	LINE 3	GEORGETOWN HOSPITAL SYSTEM		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) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) GEORGETOWN RADIATION THERAPY CENTER 2307 N FRASIER STREET GEORGETOWN, SC29440 20-0131459	HEALTHCARE	SC	N/A									

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

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

1a

No

1b

No

1c

No

1d

Yes

1e

No

1f

No

1g

No

1h

No

1i

Yes

1j

No

1k

No

1l

No

1m

Yes

1n

Yes

1o

Yes

1p

Yes

1q

No

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)			

Schedule R (Form 990) 2010

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.

[illegible]

Part VII **Supplemental Information**

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

Identifier	Return Reference	Explanation
------------	------------------	-------------

**GEORGETOWN
HOSPITAL SYSTEM**

Consolidated Financial Statements
and Supplemental Schedules

September 30, 2011 and 2010

(with Independent Auditors'
Report thereon)

GEORGETOWN HOSPITAL SYSTEM

Table of Contents

September 30, 2011 and 2010

Independent Auditors' Report	1
Consolidated Financial Statements	
Consolidated Balance Sheets	2 – 3
Consolidated Statements of Operations	4
Consolidated Statements of Changes in Net Assets	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7 – 26
Supplemental Schedules	
Consolidating Balance Sheet	27 – 28
Consolidating Statement of Operations	29
Consolidating Statement of Changes in Net Assets	30



DIXON HUGHES GOODMAN^{LLP}

MEMPHIS • CHICAGO • NEW YORK

Independent Auditors' Report

Board of Trustees
Georgetown Hospital System
Georgetown, South Carolina

We have audited the accompanying consolidated balance sheets of Georgetown Hospital System (the "System") as of September 30, 2011 and 2010, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. As discussed in Note 1 to the consolidated financial statements, the System has adjusted its 2010 consolidated financial statements to retrospectively apply the change in accounting principle for noncontrolling interests.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements and 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 consolidated financial position of Georgetown Hospital System at September 30, 2011 and 2010, and the consolidated results of their operations, changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

We also audited the adjustments to the 2010 consolidated financial statements to retrospectively apply the change in accounting principle as described in Note 1 related to noncontrolling interests. In our opinion, such adjustments are appropriate and have been properly applied.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The consolidating information in the supplemental schedules is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual entities and are not a required part of the basic consolidated financial statements. These schedules are the responsibility of the System's management. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Dixon Hughes Goodman LLP

January 20, 2012

GEORGETOWN HOSPITAL SYSTEM

Consolidated Balance Sheets

September 30, 2011 and 2010

<u>Assets</u>	<u>2011</u>	<u>2010</u>
Current assets		
Cash and cash equivalents	\$ 53,915,949	\$ 51,788,268
Assets whose use is limited - required for current liabilities	1,078,310	765,000
Patient accounts receivable, net of allowance for uncollectible accounts of approximately \$22,374,000 in 2011 and \$19,242,000 in 2010	26,900,630	28,275,222
Drugs and supplies	7,278,400	6,935,924
Net receivables, prepaids and other current assets	5,915,296	6,906,741
Total current assets	<u>95,088,585</u>	<u>94,671,155</u>
Assets whose use is limited		
By board for capital improvements and funded depreciation	87,261,341	89,967,386
Under bond trust indenture - held by bond trustee	<u>3,387,261</u>	<u>2,815,491</u>
Total assets whose use is limited	<u>90,648,602</u>	<u>92,782,877</u>
Investment in joint venture	159,152	205,021
Property and equipment, net	185,794,288	171,902,435
Other asset, net	2,751,226	-
Physician receivables, long-term portion	1,824,991	720,391
Bond issuance costs, net	<u>2,201,041</u>	<u>1,813,089</u>
Total assets	<u>\$ 378,467,885</u>	<u>\$ 362,094,968</u>

GEORGETOWN HOSPITAL SYSTEM

Consolidated Balance Sheets. (continued)

September 30, 2011 and 2010

Liabilities and Net Assets

	<u>2011</u>	<u>2010</u>
Current liabilities		
Current installments of long-term debt	\$ 2,825,000	\$ 2,255,000
Current installments of obligations under capital leases	-	93,750
Line of credit	-	12,000,000
Accrued interest payable	830,449	1,207,637
Accounts payable	10,462,002	7,968,111
Accrued expenses	3,624,250	1,596,883
Employee compensation	8,876,762	8,658,754
Estimated third-party pay or settlements	5,639,089	3,230,789
Total current liabilities	<u>32,257,552</u>	<u>37,010,924</u>
Long-term debt, excluding current installments	87,204,082	75,857,848
Net pension obligation	14,266,708	14,062,899
Total liabilities	<u>133,728,342</u>	<u>126,931,671</u>
Net assets		
Unrestricted net assets		
Unrestricted	243,426,338	234,245,127
Noncontrolling interest	343,695	320,098
Temporarily restricted	969,510	598,072
Total net assets	<u>244,739,543</u>	<u>235,163,297</u>
Total liabilities and net assets	<u>\$ 378,467,885</u>	<u>\$ 362,094,968</u>

The accompanying notes are an integral part of these consolidated financial statements

GEORGETOWN HOSPITAL SYSTEM

Consolidated Statements of Operations

For the Years Ended September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenue		
Net patient service revenue	\$ 269,518,753	\$ 258,689,884
Other revenue	4,515,461	3,882,490
Net assets released from restrictions used for operations	195,178	287,047
Total revenue	<u>274,229,392</u>	<u>262,859,421</u>
Expenses		
Salaries and wages	78,274,222	76,663,471
Employee benefits	25,843,244	19,966,924
Supplies	40,104,326	38,518,163
Fees	40,753,153	37,729,741
Other expense	24,365,632	24,644,145
Depreciation and amortization	15,364,467	15,722,859
Impairment of property and equipment	-	5,022,436
Interest expense	4,216,469	4,398,828
Provision for bad debts	32,951,006	30,523,120
Total expenses	<u>261,872,519</u>	<u>253,189,687</u>
Income from operations	<u>12,356,873</u>	<u>9,669,734</u>
Non-operating gains (losses)		
Gain on investment in Waccamaw Endoscopy Center	63,596	80,555
Unrestricted gifts and bequests	13,443	308,532
Interest and dividend income	2,018,997	2,118,513
Other gain (loss)	367,357	(139,307)
Net realized gains (losses) on sale of investments	988,178	(710,052)
Total non-operating gains	<u>3,451,571</u>	<u>1,658,241</u>
Revenue in excess of expenses	<u>\$ 15,808,444</u>	<u>\$ 11,327,975</u>

The accompanying notes are an integral part of these consolidated financial statements

GEORGETOWN HOSPITAL SYSTEM

Consolidated Statements of Changes in Net Assets

For the Years Ended September 30, 2011 and 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total Net Assets</u>
Net assets at September 30, 2009	\$ 221,326,788	\$ 1,629,078	\$ 222,955,866
Revenue in excess of expenses	\$ 11,327,975	\$ -	\$ 11,327,975
Net unrealized gains on investments, other than trading securities	7,578,653	-	7,578,653
Contributions	-	162,541	162,541
Temporarily restricted assets released from restriction for the purchase of property and equipment	906,500	(906,500)	-
Temporarily restricted assets released from restriction used for operations	-	(287,047)	(287,047)
Income from noncontrolling interest	19,980	-	19,980
Change in net pension obligation	(6,594,671)	-	(6,594,671)
Increase (decrease) in net assets	13,238,437	(1,031,006)	12,207,431
Net assets at September 30, 2010	\$ 234,565,225	\$ 598,072	\$ 235,163,297
Revenue in excess of expenses	\$ 15,808,444	\$ -	\$ 15,808,444
Net unrealized losses on investments, other than trading securities	(5,500,999)	-	(5,500,999)
Contributions	-	566,616	566,616
Temporarily restricted assets released from restriction used for operations	-	(195,178)	(195,178)
Change in net pension obligation	(1,102,637)	-	(1,102,637)
Increase in net assets	9,204,808	371,438	9,576,246
Net assets at September 30, 2011	\$ 243,770,033	\$ 969,510	\$ 244,739,543

The accompanying notes are an integral part of these consolidated financial statements

GEORGETOWN HOSPITAL SYSTEM

Consolidated Statements of Cash Flows

For the Years Ended September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities		
Increase in net assets	\$ 9,576,246	\$ 12,207,431
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	15,167,724	15,596,292
Amortization of bond issuance costs	117,038	93,899
Amortization of bond discounts and other assets	79,705	32,668
(Gain) loss from disposal of property and equipment	(418,007)	841
Impairment of property and equipment	-	5,022,436
Change in net pension obligation	(1,102,637)	(6,594,671)
Net realized and unrealized (gains) losses on investments	4,512,821	(6,868,601)
Provision for bad debts	32,951,006	30,523,120
Net change in assets and liabilities		
Patient accounts receivable	(31,576,414)	(31,997,430)
Drugs and supplies	(342,476)	265,260
Net receivables, prepaids, and other current assets	(113,155)	(1,314,058)
Accounts payable	(61,371)	484,216
Accrued expenses and employee compensation	1,868,187	659,924
Net pension obligation	1,306,446	8,580,327
Estimated third-party payor settlements	2,408,300	2,218,226
Net cash provided by operating activities	<u>34,373,413</u>	<u>28,909,880</u>
Cash flows from investing activities		
Net change in assets whose use is limited	(2,691,856)	(6,529,621)
Purchase of other assets	(2,797,857)	-
Minority interest investment	-	(72,402)
Net change in investment in joint venture	45,869	23,995
Proceeds received on disposal of property and equipment	596,158	-
Acquisition of property and equipment	(26,682,466)	(5,653,804)
Net cash used by investing activities	<u>(31,530,152)</u>	<u>(12,231,832)</u>
Cash flows from financing activities		
Unconditional promises to give	-	939,748
Bond issuance costs	(504,990)	-
Repayment of long-term debt	(2,255,000)	(2,140,000)
Refunding of long-term debt	(25,260,000)	-
Proceeds from long-term debt	39,398,160	-
Borrowings on line of credit	-	4,500,000
Payments on line of credit	(12,000,000)	-
Repayment of capital lease obligations	(93,750)	(145,270)
Net cash provided (used) by financing activities	<u>(715,580)</u>	<u>3,154,478</u>
Increase in cash and cash equivalents	2,127,681	19,832,526
Cash and cash equivalents, beginning of year	51,788,268	31,955,742
Cash and cash equivalents, end of year	<u>\$ 53,915,949</u>	<u>\$ 51,788,268</u>

Supplemental Disclosures of Cash Flow Information

Cash paid during the year for interest	\$ 4,593,657	\$ 4,435,563
Property and equipment additions included in accounts payable	\$ 2,555,262	\$ 163,409

The accompanying notes are an integral part of these consolidated financial statements

GEORGETOWN HOSPITAL SYSTEM
Notes to Consolidated Financial Statements
For the Years Ended September 30, 2011 and 2010

1 Summary of Significant Accounting Policies

Organization - Georgetown Hospital System is a nonprofit corporation organized under the laws of the State of South Carolina for the purpose of operating acute care facilities located in Georgetown, South Carolina and Murrells Inlet, South Carolina. The mission of the System is to provide high quality healthcare to the citizens of Georgetown County and surrounding areas.

Consolidation of Related Entities - The accompanying consolidated financial statements include the accounts of Georgetown Memorial Hospital ("GMH"), Georgetown Radiation Therapy Center ("GRTC"), Waccamaw Community Hospital ("WCH"), and Georgetown Physician Services, LLC ("GPS"). These entities are all controlled affiliates (collectively, the "System"). Intercompany accounts have been eliminated in consolidation.

The Medical University of South Carolina ("MUSC") contributed to the start-up of GRTC. As a result of these contributions, MUSC has a 10% ownership in the unrestricted net assets of GRTC, which has been designated as noncontrolling interest in the consolidated financial statements.

The System adopted the new accounting pronouncement related to noncontrolling interest on October 1, 2010. Accordingly, for consolidated subsidiaries that are less than wholly-owned, the third party holdings of equity interests are referred to as noncontrolling interest. The portion of net assets of the subsidiary is presented as noncontrolling interest on the consolidated balance sheets. The changes in net assets related to the noncontrolling interest are outlined in the table below.

	<u>Total</u>	<u>Hospital</u>	<u>Noncontrollin g Interest</u>
Balances, September 30, 2009	\$ 3,925,001	\$ 3,532,501	\$ 392,500
Deficit of revenues over expenses	(199,795)	(179,815)	(19,980)
Distribution to owners	(524,226)	(471,804)	(52,422)
Balances, September 30, 2010	\$ 3,200,980	\$ 2,880,882	\$ 320,098
Excess of revenues over expenses	235,971	212,374	23,597
Balances, September 30, 2011	\$ 3,436,951	\$ 3,093,256	\$ 343,695

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

Cash and Cash Equivalents - Cash and cash equivalents include investments with original maturities of three months or less when purchased.

The System maintains bank accounts at various financial institutions covered by the Federal Deposit Insurance Corporation ("FDIC"). At times throughout the year, the System may maintain bank account balances in excess of the FDIC insured limit. It is management's opinion that these financial institutions are financially sound and that the System is not exposed to any significant credit risk related to cash.

Patient Accounts Receivable - Patient accounts receivable are carried at the original charge less an estimate made for doubtful or uncollectible accounts. The allowance is based upon a review of the outstanding balances aged by financial class. Management uses collection percentages based upon historical collection experience to determine collectability. Management also reviews troubled, aged accounts to determine collection potential. Patient accounts receivable are written off when deemed uncollectible. Recoveries of accounts previously written off are recorded as a reduction to provision for bad debts when received. Interest is not charged on patient accounts receivable.

Assets Whose Use is Limited - Assets whose use is limited include assets set aside by the Board of Trustees (the "Board") for future capital improvements and funded depreciation, over which the Board retains control and may at its discretion subsequently use for other purposes, and assets held by bond trustees under indenture agreements. Amounts required to meet current liabilities of the System are classified as current assets in the consolidated balance sheets. The System follows the policy of funding depreciation of property and equipment. Cash equal to the periodic depreciation expense, to the extent available, is transferred to assets whose use is limited for capital improvements.

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

Drugs and Supplies - Drugs and supplies are stated at the lower of cost (first-in, first-out) or market value.

Property and Equipment - Property and equipment acquisitions are stated at cost or if donated, at fair market value at date of donation. Depreciation is calculated using the straight-line method over the estimated economic useful lives of the respective assets. Routine maintenance, repairs and replacements are charged to expense. Expenditures that materially increase values, change capacities or extend useful lives are capitalized. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support and are excluded from revenue in excess of expenses, unless explicit donor restrictions specify how the donated assets must be used. Gifts of long-lived assets with explicit donor restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as restricted support.

Other Asset - Other asset includes a license to operate a surgery center. The license, purchased in 2011, is being amortized over the estimated useful life of the license. Accumulated amortization at September 30, 2011 was approximately \$47,000.

Bond Issuance Costs - Bond issuance costs are amortized over the life of the bond issue. Accumulated amortization at September 30, 2011 and 2010 was approximately \$1,135,000 and \$1,018,000, respectively.

Bond Discounts - Bond discounts are amortized over the life of the related bond issue.

Temporarily Restricted Net Assets - Temporarily restricted net assets are those whose use by the System has been limited by donors to a specific time period or purpose.

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

Charity Care - The System provides care to patients who meet criteria under its charity care policy without charge or at amounts less than its established rates. The System does not pursue collection of amounts determined to qualify as charity care, therefore, they are not reported as net patient service revenue.

Contributions - Unconditional promises to give cash and other assets to the System are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received.

Revenue in Excess of Expenses - The consolidated statements of operations include revenue in excess of expenses. Changes in unrestricted net assets which are excluded from revenue in excess of expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, changes in net pension obligation, income from noncontrolling interest and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets).

Income Taxes - Georgetown Hospital System, Georgetown Memorial Hospital, and Waccamaw Community Hospital have been granted exemption from income taxes as organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Georgetown Radiation Therapy Center is a partnership and the results of its operations are reported on the income tax returns of the partners. Georgetown Physician Services LLC, is a 509(a)(3) organization of the System and is exempt from income taxes through the System. Accordingly, the accompanying consolidated financial statements do not include a provision for income taxes. The System has determined that it does not have any material unrecognized tax benefits or obligations as of September 30, 2011. Fiscal years ending on or after September 30, 2008 remain subject to examination by federal and state tax authorities.

Functional Expenses - The System does not present expense information by functional classification because its resources and activities are primarily related to providing health care services. Further, since the System receives substantially all of its resources from providing health care services in a manner similar to a business enterprise, other indicators contained in these consolidated financial statements are considered important in evaluating how well management has discharged their stewardship responsibilities.

Impairment of Property and Equipment - When events, circumstances and operating results indicate that the carrying values of certain property and equipment might be impaired, the System prepares projections of the undiscounted future cash flows expected to result from the use of the assets and their eventual disposition. If the projections indicate that the recorded amounts are not expected to be recoverable, such amounts are reduced to estimated fair value.

Risk Management - The System is exposed to various risks of loss from torts, theft of, damage to, and destruction of assets, business interruption, errors and omissions, employee injuries and illnesses, and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters.

Reclassifications - Certain 2010 consolidated financial statement amounts have been reclassified to conform to the 2011 consolidated financial statement presentation

2 **Net Patient Service Revenue**

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

- **Medicare** - Inpatient acute and outpatient care services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. The System is reimbursed for certain cost reimbursable items at tentative rates with final settlement determined after submission of annual cost reports by the System and audits thereof by the Medicare fiscal intermediary. GMH and WCH's Medicare cost reports have been audited by the Medicare fiscal intermediary through September 30, 2006 and 2008, respectively. Approximately 39% and 40% of the System's net patient service revenue was derived from Medicare for the years ended September 30, 2011 and 2010, respectively.
- **Medicaid** - Inpatient reimbursement is based upon prospectively determined rates per discharge. Outpatient services are paid at prospectively determined rates per procedure. Approximately 12% and 11% of the System's net patient service revenue was derived from Medicaid for the years ended September 30, 2011 and 2010, respectively. Medicaid cost reports for GMH and WCH have been audited through September 30, 2007.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The 2011 net patient service revenue decreased by approximately \$2,058,000 due to a change in the allowances previously estimated for tentative cost report settlements. The 2010 net patient service revenue increased by approximately \$406,000 due to a change in the allowances previously estimated for tentative cost report settlements.

- **Other** - The System has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The bases for payments to the System under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Contractual adjustments related to Medicare and Medicaid programs and other adjustments were deducted from patient service charges to arrive at net patient service revenue for the System as follows

	<u>2011</u>	<u>2010</u>
Gross patient charges at established rates	\$ 648,067,841	\$ 600,707,175
Deductions		
Medicare and Medicaid contractual adjustments	(313,617,730)	(280,872,131)
Other adjustments	(64,931,358)	(61,145,160)
Total deductions	<u>(378,549,088)</u>	<u>(342,017,291)</u>
Net patient service revenue	<u>\$ 269,518,753</u>	<u>\$ 258,689,884</u>

The System qualified for disproportionate share payments from the South Carolina Medicaid Program through September 30, 2011. The System received quarterly payments totaling approximately \$10,514,000 in 2011 and \$8,618,000 in 2010. These amounts are reflected as a reduction of contractual adjustments in the calculation above.

3 Charity Care

The amount of charges foregone for services provided and supplies furnished under the System's charity care policy aggregated approximately \$21,749,000 and \$22,102,000 in 2011 and 2010, respectively.

4 Assets Whose Use Is Limited

The composition of assets whose use is limited is as follows at September 30

	<u>2011</u>	<u>2010</u>
By Board for capital improvements and funded depreciation		
Cash and cash equivalents	\$ 186,085	\$ 197,477
Money market funds	188	-
Mutual funds	86,572,683	89,260,934
U S equities	40,615	55,753
U S corporate bonds	12,822	13,065
Cash surrender value of life insurance	448,948	440,157
	<u>\$ 87,261,341</u>	<u>\$ 89,967,386</u>
Under bond trust indenture - held by bond trustee		
Cash and cash equivalents	\$ 1,030,857	\$ -
U S Treasury securities	3,434,714	3,580,491
	<u>\$ 4,465,571</u>	<u>\$ 3,580,491</u>

Investments in an unrealized loss position as of September 30, 2011 and 2010 are summarized as follows

September 30, 2011

<u>Description of Securities</u>	<u>Less than 12 months</u>		<u>More than 12 months</u>		<u>Total</u>	
	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>
Mutual funds	\$ 41,990,638	\$ 4,234,125	\$ -	\$ -	\$ 41,990,638	\$ 4,234,125

September 30, 2010

<u>Description of Securities</u>	<u>Less than 12 months</u>		<u>More than 12 months</u>		<u>Total</u>	
	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>
Mutual funds	\$ -	\$ -	\$ 15,878,193	\$ 694,061	\$ 15,878,193	\$ 694,061

The System has adopted investment policies and monitors the allocation of investments between types of investments. During 2011 and 2010, economic conditions led to a decrease in market values of investments. Management believes the above investments will recover any unrealized losses.

Mutual Funds – In 2011 and 2010, the System’s unrealized loss on mutual funds represent eleven and five mutual funds, respectively. These mutual funds, at September 30, 2011 and 2010, represent approximately 49% and 18%, respectively, of total investments in mutual funds. The decline has been attributed to the overall stock market as a whole. Management has the intent and ability to hold the mutual funds for a reasonable period of time for the investments to recover the unrealized loss.

During 2011 and 2010, management evaluated certain investments whereby fair value was below cost as required by accounting standards. These standards require entities to determine when an investment is considered impaired, whether that impairment is other-than-temporary, and the measurement of an impaired loss.

Other-than-temporary does not mean a permanent impairment. In addition, accounting standards require certain disclosures about unrealized losses that have not been recognized as other-than-temporary impairments. In management’s opinion, there was an other than temporary loss on investments of approximately \$674,000 and \$938,000 as of September 30, 2011 and 2010, respectively, that has been included in net realized losses on sale of investments within the Consolidated Statements of Operations.

5 **Property and Equipment**

Property and equipment consisted of the following at September 30

	<u>2011</u>	<u>2010</u>
Land and land improvements	\$ 24,100,995	\$ 23,062,521
Buildings	167,848,949	162,549,390
Equipment	149,006,944	140,205,734
Construction in progress	14,913,847	1,849,360
	<u>355,870,735</u>	<u>327,667,005</u>
Less accumulated depreciation	<u>170,076,447</u>	<u>155,764,570</u>
	<u>\$ 185,794,288</u>	<u>\$ 171,902,435</u>

6 **Long-Term Debt and Capital Lease Obligations**

The System's long-term debt and capital lease obligations, net of unamortized discounts, at September 30 are summarized below

	<u>Interest Rate</u>	<u>2011</u>	<u>2010</u>
Hospital tax-exempt term revenue bonds -2011A Series - \$25,565,000 due in varying amounts through February 1, 2021	2.28%	\$ 25,519,355	\$ -
Hospital tax-exempt term revenue bonds -2010 Series - \$30,000,000 due in varying amounts through November 1, 2030	68% of 1month LIBOR + 1.3%	13,879,210	-
Hospital tax-exempt revenue bonds -2001 Series - \$45,000,000 due in varying amounts through February 1, 2030	5.25% - 5.38%	23,811,308	40,622,850
Hospital tax-exempt revenue bonds -1999 Series - \$23,870,000 due in varying amounts through November 1, 2029	4.00% - 6.00%	7,863,238	17,834,529

	<u>Interest Rate</u>	<u>2011</u>	<u>2010</u>
Hospital tax-exempt revenue bonds -1998 Series - \$25,760,000 due in varying amounts through November 1, 2029	4 05% - 5 30%	\$ 18,955,971	\$ 19,655,469
Capital lease obligations - \$12,400 monthly payments Paid in full in 2011	-	-	93,750
		90,029,082	78,206,598
Less current installments of long-term debt and capital lease obligations		2,825,000	2,348,750
Long-term debt and capital lease obligations, net of current installments		\$ 87,204,082	\$ 75,857,848

On March 27, 1998, the System, through the South Carolina Jobs-Economic Development Authority, issued \$25,760,000 of tax exempt Revenue Bonds 1998 Series ("1998 Series") The 1998 Series consist of term and serial bonds Proceeds from the bonds were used to advance refund certain outstanding bonds from the 1989A Series Revenue Refunding Bonds ("1989A Series"), to fund debt service reserves and to fund certain capital projects The Series 1998 Series bonds are secured by municipal bond insurance

On August 25, 1999, the System, through the South Carolina Jobs-Economic Development Authority, issued \$23,870,000 of tax exempt Revenue Bonds 1999 Series ("1999 Series") The 1999 Series consist of term and serial bonds Proceeds from the bonds were used to advance refund the 1989B Series Revenue Refunding Bonds ("1989B Series"), to fund the debt service reserve and to fund certain capital projects The Series 1999 Series bonds are secured by municipal bond insurance

On August 1, 2001, the System, through S C Jobs-Economic Development Authority, issued \$45,000,000 of tax exempt Revenue Bonds 2001 Series ("2001 Series") The 2001 Series consist of term and serial bonds Proceeds from the bonds were used to finance the construction and equipment of the Waccamaw Community Hospital located in Murrells Inlet, South Carolina The Series 2001 Series bonds are secured by municipal bond insurance

On December 1, 2010, the System, through the South Carolina Jobs-Economic Development Authority, issued \$30,000,000 of tax exempt variable rate term Revenue Bonds 2010 Series ("2010 Series") with a maturity date of November 2030. The 2010 Series proceeds will be used in part to construct a medical office building that will contain certain hospital operations and also will be used for capital equipment purchases for both Waccamaw Community Hospital and Georgetown Memorial Hospital. In December 2010, a financial institution and the System signed a bond purchase agreement that sold the bonds to the financial institution. Currently, the amount outstanding on the bonds is approximately \$13.9 million, which represents the current draws on the total \$30,000,000 on the bonds. The 2010 Series are collateralized by a security interest in certain property owned by the System.

On September 1, 2011, the System, through the South Carolina Jobs-Economic Development Authority, issued \$25,565,000 of tax exempt fixed rate term Revenue Bonds 2011A Series ("2011A Series") with a maturity date of February 2021. The 2011A Series proceeds were used in part to partially refund the 1999 Series Bonds and the 2001 Series bonds. In September 2011, a financial institution and the System signed a bond purchase agreement that sold the bonds to the financial institution. The 2011A are collateralized by a security interest in the gross revenues of the System.

The 2011A, 2001, 1999, and 1998 Series bonds are reported net of discount on bonds payable at September 30, 2011 and 2010 of approximately \$635,000 and \$622,000, respectively. Under the terms of the Revenue Bonds, the System is required to maintain certain financial ratios and to limit future borrowings. In addition, the covenants impose limitations on selling, leasing or conveying substantial properties and on incurring any encumbrances, security interest, pledge, or lien against any assets without the permission of the lenders.

Future principal payments under the System's long-term debt agreements, including the full amount of the Series 2010 bonds, for the years ending September 30 are

	Long-Term Debt
2012	\$ 2,825,000
2013	3,905,000
2014	4,020,000
2015	4,140,000
2016	4,255,000
Thereafter	87,640,000
	<hr/> 106,785,000
Less bond discount	(635,128)
	<hr/> 106,149,872
Less amount available on 2010 Series	(16,120,790)
	<hr/> \$ 90,029,082 <hr/>

7 **Temporarily Restricted Net Assets**

Temporarily restricted net assets are available for the following purposes

	<u>2011</u>	<u>2010</u>
Purchase of property and equipment	\$ 101,000	\$ -
Contributions for operations	868,510	598,072
	<u>\$ 969,510</u>	<u>\$ 598,072</u>

8 **Employee Benefit Plans**

The System has a defined benefit pension plan (the “Plan”) covering all full-time employees who have completed six months of employment and attained twenty and one-half years of age. The benefits are based upon employee service and current and past compensation levels. The System’s funding policy is to make annual contributions to the Plan equal to the amounts of net periodic pension cost. Assets of the plan are primarily invested in equity and fixed income mutual funds.

The Board of Trustees approved freezing the Plan as of December 31, 2010. In accordance with accounting standards, the freeze of the plan created a curtailment. In compliance with the accounting for the curtailment, income of approximately \$6.6 million was recognized for the period ending September 30, 2010. This amount was the result of immediate recognition of the remaining unrecognized credit that was the result of a negative plan change (reduction in future benefits) that occurred effective January 1, 2007. In accordance with accounting for pension plans, this credit was being amortized over the future working lifetime of plan participants. The complete freeze of the plan requires immediate recognition of any outstanding amounts due to the fact that no future benefit service for participants will be granted, and this is reflected in the liabilities disclosed as of September 30, 2010.

Information about the System's Plan is summarized in the following tables and is based on actuarial valuations performed as of September 30, 2011 and September 30, 2010, respectively

	<u>2011</u>	<u>2010</u>
Change in projected benefit obligation		
Benefit obligation at beginning of year	\$ 51,522,748	\$ 45,120,517
Service cost	820,786	3,178,330
Interest cost	2,628,370	2,518,638
Actuarial (gain) loss	(1,344,592)	3,966,718
Benefits paid	(1,169,634)	(977,983)
Curtailment	-	(2,283,472)
Benefit obligation at end of year	<u>\$ 52,457,678</u>	<u>\$ 51,522,748</u>
Change in plan assets		
Fair value of plan assets at beginning of year	\$ 37,459,849	\$ 33,043,274
Actual return on plan assets	(501,487)	3,944,265
Employer contributions	2,402,242	1,450,293
Benefits paid	(1,169,634)	(977,983)
Fair value of plan assets at end of year	<u>38,190,970</u>	<u>37,459,849</u>
Net pension obligation	<u>\$ (14,266,708)</u>	<u>\$ (14,062,899)</u>
Amounts recognized in net assets		
Net actuarial loss	<u>\$ (17,685,533)</u>	<u>\$(16,582,896)</u>
Amounts recognized in employee benefits expense		
	<u>2011</u>	<u>2010</u>
Service cost	\$ 820,786	\$ 3,178,330
Interest cost	2,628,370	2,518,638
Expected return on plan assets	(3,043,784)	(2,685,176)
Amortization of prior service cost	-	(665,938)
Amortization of net loss	1,098,042	1,154,802
Total net periodic pension cost	1,503,414	3,500,656
Other charges (credits)		
Curtailment	-	(6,659,378)
Total net periodic pension cost	<u>\$ 1,503,414</u>	<u>\$ (3,158,722)</u>

Weighted average assumptions -	<u>2011</u>	<u>2010</u>
Discount rate	5.55%	5.16%
Expected return on plan assets	8.00%	8.00%
Rate of compensation increase	N/A	3.0%-8.0%

Long-term Asset Return Assumptions – The long term asset return assumption for the plan is 8%. This assumption is based on the history and current market conditions of returns for the equity and fixed income mutual funds.

Plan Assets - The Plan's weighted average asset allocations are as follows:

	<u>2011 Actual</u>	<u>2011 Target</u>
Equity funds	69%	50 – 70%
Fixed income funds	31%	20 – 40%
Other	0%	0 – 25%

For Plan assets carried at fair value, the following tables provide fair value information as of September 30, 2011 and 2010.

<i>Assets measured at fair value</i>	Fair value at September 30, 2011	<u>Fair value measurements at September 30, 2011 using</u>		
		Quoted prices in active markets for identical assets and liabilities (Level 1 inputs)	Quoted prices for similar assets and liabilities (Level 2 inputs)	Significant unobservable inputs (Level 3 inputs)
Money market funds	\$ 150,333	\$ 150,333	\$ -	\$ -
Publicly-traded mutual funds				
Diversified emerging markets	876,582	876,582	-	-
Large growth	10,519,630	10,519,630	-	-
Mid-cap growth	3,432,468	3,432,468	-	-
Mid-cap value	835,782	835,782	-	-
Small growth	883,608	883,608	-	-
Small value	403,798	403,798	-	-
Large value	5,751,502	5,751,502	-	-
Foreign large blend	2,728,835	2,728,835	-	-
Foreign large value	861,677	861,677	-	-
Intermediate - bond	10,486,497	10,486,497	-	-
Short term - bond	<u>1,260,258</u>	<u>1,260,258</u>	<u>-</u>	<u>-</u>
Total assets at fair value	\$ <u>38,190,970</u>	\$ <u>38,190,970</u>	\$ <u>-</u>	\$ <u>-</u>

<i>Assets measured at fair value</i>	Fair value at September 30, 2010	Fair value measurements at September 30, 2010 using		
		Quoted prices in active markets for identical assets and liabilities (Level 1 inputs)	Quoted prices for similar assets and liabilities (Level 2 inputs)	Significant unobservable inputs (Level 3 inputs)
Money market funds	\$ 115,455	\$ 115,455	\$ -	\$ -
Publicly-traded mutual funds	<u>37,344,394</u>	<u>37,344,394</u>	<u>-</u>	<u>-</u>
Total assets at fair value	\$ <u>37,459,849</u>	\$ <u>37,459,849</u>	\$ <u>-</u>	\$ <u>-</u>

Expected Cash Contributions - The System expects to contribute \$473,993 to its pension plan in 2011

Estimated Future Benefit Payments – The following benefit payments, which reflect expected future services, are expected to be paid

10/01/11 – 09/30/12	\$ 1,399,296
10/01/12 – 09/30/13	1,582,107
10/01/13 – 09/30/14	1,712,601
10/01/14 – 09/30/15	1,874,594
10/01/15 – 09/30/16	2,070,082
10/01/16 – 09/30/21	<u>13,978,822</u>
	<u>\$ 22,617,502</u>

In addition to the defined benefit pension plan, the System also sponsors a 403(b) plan. During 2010, the board approved changes to the 403(b) plan which allow for an increased employer match. Under the 403(b) plan changes, the System will match up to 2% of the first 6% of employee deferred compensation and include an additional fixed employer match of 2% of employee compensation. The 403(b) plan changes were effective as of January 1, 2011. During the years ended September 30, 2011 and 2010, the System's matching contribution totaled approximately \$2,126,000 and \$1,196,000, respectively.

9 **Financial Instruments**

Concentrations of Credit Risk - Financial instruments that potentially subject the System to a concentration of credit risk consist principally of cash and cash equivalents, assets whose use is limited, accounts receivable from patients and third party payors, accounts payable and accrued expenses, estimated third party payor settlements, and bonds payable. The System places its cash and cash equivalents and assets whose use is limited with high quality credit financial institutions. Third-party payors are primarily Medicare and Medicaid which provide reimbursement on patient accounts on a regular basis. Managed care receivables are distributed among several primary payors. The credit worthiness of all managed care payors is considered by the System prior to entering into an agreement with the payor.

The System grants credit without collateral to its patients, most of whom are local residents and are insured under third-party agreements. The mix of receivables from patients and third-party payors was as follows:

	<u>2011</u>	<u>2010</u>
Medicare	36%	37%
Medicaid	19	15
Other third-party payors	24	26
Patients	21	22
	<u>100%</u>	<u>100%</u>

Fair Value of Financial Instruments - The following methods and assumptions were used by the System in estimating the fair value of its financial instruments:

Cash and cash equivalents - The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents approximate their fair value.

Assets whose use is limited - These assets consist primarily of cash and investments. The carrying values of investments at September 30, 2011 and 2010 are equal to estimated fair value based on quoted market prices.

Accounts payable and accrued expenses - The carrying amounts reported in the consolidated balance sheets for accounts payable and accrued expenses approximate their fair value.

Estimated third-party payor settlements - The carrying amounts reported in the consolidated balance sheets for these settlements approximate their fair value.

Bonds Payable Fair values for the 1998, 1999, and 2001 Series are based on estimates using present value techniques. These techniques involve uncertainties and are significantly affected by the assumptions used and the judgments made regarding risk characteristics of various financial instruments, discount rates, prepayments, and estimates of future cash flows, future expected loss experience, and other factors. Changes in assumptions could significantly affect these estimates. Derived fair value estimates cannot be substantiated by comparison of independent markets and, in many cases, may or may not be realized in an immediate sale of the instrument. The fair value of the 1998, 1999, and 2001 Series, described in Note 6, is estimated to be \$47,687,901 and \$77,758,488 as of September 30, 2011 and 2010, respectively. The 2010 and 2011 A Series are not traded on active markets and, therefore are held at face value.

10 **Management Agreement**

The System has a management agreement with an unrelated corporation whereby the management company will perform administrative services on a day-to-day basis. The agreement calls for an annual fee, payable monthly, for the first year and subsequent fee amounts to be adjusted by a formula using the Consumer Price Index. In addition to the annual fee, the System is required to pay the management company's key personnel salaries and fringe benefits for those performing the administrative duties. The term is for five years, expiring September 17, 2016. For the years ended September 30, 2011 and 2010, the actual management fees were approximately \$590,000 and \$569,000, respectively. Total salaries, benefits, and other expenses incurred under the contract for September 30, 2011 and 2010 were approximately \$1,833,000 and \$1,668,000, respectively.

11 **Operating Leases**

The System leases medical and business equipment under operating leases that expire at various dates through 2014. Total rent expense in 2011 and 2010 for all operating leases was approximately \$1,394,000 and \$1,367,000, respectively.

The following is a schedule by year of future remaining lease payments under operating leases at September 30, 2011, that have initial remaining lease terms in excess of one year:

2012	\$ 857,400
2013	492,807
2014	175,297
	<hr/>
	\$ 1,525,504

12 Physician Relocation Agreements and Other Minimum Revenue Guarantees

Consistent with the System's policy on physician relocation and recruitment, the System provides income guarantee agreements to certain physicians who agree to relocate to the community to fill a need in the System's service area and commit to remain in practice there. Under such agreements, the System is required to make payments to the physicians in excess of the amounts they earn in their practice up to the amount of the guarantee. The income guarantee periods are typically 6 - 24 months. Such payments are recoverable from the physicians if they do not fulfill their commitment period to the community, which is typically two years. At September 30, 2011 and 2010, the maximum potential amount of future payments under these guarantees is approximately \$2,241,000 and \$988,000, respectively.

During the year ended September 30, 2011 and 2010, the System recorded a liability in accrued expenses of approximately \$2,241,000 and \$988,000, respectively, for the fair value of new or modified guarantees entered into this period with an offsetting asset recorded on the accompanying consolidated balance sheet in other current assets and physician receivables, which will be amortized over the remaining commitment period.

13 Commitments and Contingencies

Professional Liability Insurance - The System maintains professional liability (malpractice) coverage of up to \$1,000,000 per claim and \$3,000,000 in aggregate. Malpractice insurance coverage is provided on an occurrence basis. Management believes that losses arising from pending or threatened litigation will not have a significant impact on the consolidated financial condition or results of operation of the System.

Conditional Asset Retirement Obligation - The System has asbestos in their facilities and is required by law to dispose of it in a special manner if the facility undergoes major renovations or is demolished. Otherwise, the System is not required to remove the asbestos from the facility. The System has estimated the fair value of the asset retirement obligation and does not believe the amount to be material to the overall consolidated financial statements. Therefore, no liability has been recorded as of September 30, 2011.

Industry Regulation - The healthcare 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, governmental health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse.

Management believes the System is in compliance with industry laws and regulations as well as other applicable government laws and regulations. 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. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

Construction Commitments - The System has entered into various contracts related to construction projects. The total contracts committed to by the System are approximately \$17,420,000. As of September 30, 2011, the System has paid approximately \$9,816,000. The construction projects have completion dates through fiscal year 2013.

The System has also entered into contracts with an architect related to various construction projects. Fees are based on between 7% and 7.5% of the final construction costs of the projects. Management estimates that the total amount paid under these contracts will be approximately \$2,045,000 and will be completed in fiscal years 2012 and 2013.

14 **Other**

On September 15, 2011, the System made a commitment to provide a guarantee of up to \$5,380,000 of bond indebtedness for a physician practice. At September 30, 2011, \$5,380,000 of the bonds were issued and outstanding. The System is paid a guarantee fee of 1.15% annually of the outstanding balance, which is paid monthly.

15 **Fair Value Disclosures**

The provision of the Fair Value Measurement standard defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The provision does not require any new fair value measurements, but clarifies and standardizes some divergent practices that have emerged since prior guidance was issued. The provision creates a three-level hierarchy under which individual fair value estimates are to be ranked based on the relative reliability of the inputs used in the valuation.

The provision defines fair value as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets, the System considers the principal or most advantageous market in which those assets are sold and considers assumptions that market participants would use when pricing those assets. Fair values determined using level 1 inputs rely on active and observable markets to price identical assets. In situations where identical assets are not traded in active markets, fair values may be determined based on level 2 inputs, which exist when observable data exists for similar assets. Fair values for assets that are not actively traded in observable markets are based on level 3 inputs, which are considered to be unobservable.

Among the System's assets, available-for-sale securities were reported at their fair values on a recurring basis

For assets carried at fair value, the following table provides fair value information as of September 30, 2011 and 2010

<i>Assets measured at fair value</i>	Fair value at September 30, <u>2011</u>	<u>Fair value measurements at September 30, 2011 using</u>		
		Quoted prices in active markets for identical assets and liabilities (Level 1 inputs)	Quoted prices for similar assets and liabilities (Level 2 inputs)	Significant unobservable inputs (Level 3 inputs)
Money market funds	\$ 188	\$ 188	\$ -	\$ -
Publicly-traded mutual funds				
Intermediate - bond	10,883,082	10,883,082	-	-
Short-term - bond	14,732,249	14,732,249	-	-
Emerging markets bond	3,787,369	3,787,369	-	-
Foreign large blend	5,824,862	5,824,862	-	-
Diversified emerging markets	3,087,283	3,087,283	-	-
Large growth	10,592,807	10,592,807	-	-
Mid-cap growth	6,777,543	6,777,543	-	-
Large value	3,278,173	3,278,173	-	-
Commodities	3,134,257	3,134,257	-	-
Global real estate	2,456,153	2,456,153	-	-
Foreign large value	3,138,552	3,138,552	-	-
Mid-cap value	1,609,064	1,609,064	-	-
Privately-traded mutual funds				
U S equities growth	11,765,594	-	11,765,594	-
U S equities value	5,505,695	-	5,505,695	-
U S equities	40,615	40,615	-	-
U S corporate bonds	12,822	12,822	-	-
U S treasury securities	<u>3,434,714</u>	<u>3,434,714</u>	<u>-</u>	<u>-</u>
Total assets at fair value	\$ <u>90,061,022</u>	\$ <u>72,789,733</u>	\$ <u>17,271,289</u>	\$ <u>-</u>

Assets whose use is limited, described in Note 4, are held at fair value and are included in the table above except cash and cash equivalents totaling \$1,216,942, and the cash surrender value of life insurance totaling \$448,948

<i>Assets measured at fair value</i>	Fair value at September 30, 2010	Fair value measurements at September 30, 2010 using		
		Quoted prices in active markets for identical assets and liabilities (Level 1 inputs)	Quoted prices for similar assets and liabilities (Level 2 inputs)	Significant unobservable inputs (Level 3 inputs)
Publicly-traded mutual funds	\$ 70,105,718	\$ 70,105,718	\$ -	\$ -
Privately-traded mutual funds	19,155,216	-	19,155,216	-
U S equities	55,753	55,753	-	-
U S corporate bonds	13,065	13,065	-	-
U S treasury securities	<u>3,580,491</u>	<u>3,580,491</u>	<u>-</u>	<u>-</u>
Total assets at fair value	\$ <u>92,910,243</u>	\$ <u>73,755,027</u>	\$ <u>19,155,216</u>	\$ <u>-</u>

Prices for money market funds, publicly-traded mutual funds, U S equities, U S corporate bonds, and U S treasury securities are readily available in the active markets in which those securities are traded, and the resulting fair values are shown in the 'Level 1 input' column

Prices for privately-traded mutual funds are not readily available in active markets, but are determined based on observable data for similar assets when available. The resulting fair values for this position are shown in the "Level 2 input" column

16 **Impairment of Property and Equipment**

Expenses for September 30, 2010 include an impairment loss of approximately \$5,022,000 due to the abandonment of plans to build a replacement facility

17 **Subsequent Events**

On December 22, 2011, the System, through the South Carolina Jobs-Economic Development Authority, issued \$12,190,000 of tax exempt fixed rate term Revenue Bonds 2011B Series ("2011B Series") with a maturity date of November 2029. The System signed a bond purchase agreement that sold the bonds to a financial institution with a committed interest rate of 2.77% for a ten year period. The 2011B Series proceeds were used to partially refund the 1998 Series bonds and the remaining outstanding 1999 Series bonds.

Subsequent events have been evaluated through January 20, 2012, which is the date the consolidated financial statements were available to be issued.

GEORGETOWN HOSPITAL SYSTEM

Consolidating Balance Sheet

September 30, 2011

	Georgetown Memorial Hospital	Waccamaw Community Hospital	Georgetown Radiation Therapy Center	Georgetown Physician Services, LLC	Georgetown Hospital System	Consolidated Subtotal	Eliminating Entries	Consolidated Total
<u>Assets</u>								
Current assets								
Cash and cash equivalents	\$ 49,519,280	\$ 2,222,423	\$ 2,100,336	\$ 73,910	\$ -	\$ 53,915,949	\$ -	\$ 53,915,949
Assets whose use is limited - required for current liabilities	-	1,078,310	-	-	-	1,078,310	-	1,078,310
Patients' accounts receivable - net of allowance for uncollectible accounts of approximately \$22,374,000	11,367,012	14,465,286	806,233	262,099	-	26,900,630	-	26,900,630
Drugs and supplies	4,664,171	2,614,229	-	-	-	7,278,400	-	7,278,400
Net receivables - prepaids and other current assets	4,058,674	1,724,413	122,215	9,994	-	5,915,296	-	5,915,296
Total current assets	69,609,137	22,104,661	3,028,784	346,003	-	95,088,585	-	95,088,585
Assets whose use is limited								
By board for capital improvements and funded depreciation	87,261,341	-	-	-	-	87,261,341	-	87,261,341
Under bond trust indenture - held by bond trustee	2	3,387,259	-	-	-	3,387,261	-	3,387,261
Total assets whose use is limited	87,261,343	3,387,259	-	-	-	90,648,602	-	90,648,602
Investment in affiliate	-	-	-	-	3,093,255	3,093,255	(3,093,255)	-
Investment in joint venture	159,152	-	-	-	-	159,152	-	159,152
Due from affiliate	34,990,814	-	-	-	-	34,990,814	(34,990,814)	-
Property and equipment - net	88,790,950	95,907,487	789,002	306,849	-	185,794,288	-	185,794,288
Other asset - net	-	2,751,226	-	-	-	2,751,226	-	2,751,226
Physician receivables - long-term portion	1,824,991	-	-	-	-	1,824,991	-	1,824,991
Bond issuance costs - net	903,093	1,297,948	-	-	-	2,201,041	-	2,201,041
Total assets	\$ 283,539,480	\$ 125,448,581	\$ 3,817,786	\$ 652,852	\$ 3,093,255	\$ 416,551,954	\$ (38,084,069)	\$ 378,467,885

GEORGETOWN HOSPITAL SYSTEM

Consolidating Balance Sheet (continued)

September 30, 2011

<u>Liabilities and Net Assets</u>	<u>Georgetown Memorial Hospital</u>	<u>Waccamaw Community Hospital</u>	<u>Georgetown Radiation Therapy Center</u>	<u>Georgetown Physician Services, LLC</u>	<u>Georgetown Hospital System</u>	<u>Consolidated Subtotal</u>	<u>Eliminating Entries</u>	<u>Consolidated Total</u>
Current liabilities								
Current installments of long-term debt	\$ 1,746,690	\$ 1,078,310	\$ -	\$ -	\$ -	2,825,000	\$ -	2,825,000
Accrued interest payable	607,327	223,122	-	-	-	830,449	-	830,449
Accounts payable	6,713,514	3,082,797	94,796	570,895	-	10,462,002	-	10,462,002
Accrued expenses	3,127,250	485,008	11,992	-	-	3,624,250	-	3,624,250
Employee compensation	6,121,405	2,632,400	42,581	80,376	-	8,876,762	-	8,876,762
Estimated third-party payor settlements	3,478,684	2,160,405	-	-	-	5,639,089	-	5,639,089
Total current liabilities	<u>21,794,870</u>	<u>9,662,042</u>	<u>149,369</u>	<u>651,271</u>	<u>-</u>	<u>32,257,552</u>	<u>-</u>	<u>32,257,552</u>
Due to affiliate	-	28,241,064	214,616	5,274,302	1,260,832	34,990,814	(34,990,814)	-
Long-term debt, excluding current installments	38,965,024	48,239,058	-	-	-	87,204,082	-	87,204,082
Net pension obligation	<u>14,266,708</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,266,708</u>	<u>-</u>	<u>14,266,708</u>
Total liabilities	<u>75,026,602</u>	<u>86,142,164</u>	<u>363,985</u>	<u>5,925,573</u>	<u>1,260,832</u>	<u>168,719,156</u>	<u>(34,990,814)</u>	<u>133,728,342</u>
Net assets								
Unrestricted net assets								
Unrestricted	207,786,022	39,080,613	3,093,256	(5,272,721)	1,832,423	246,519,593	(3,093,255)	243,426,338
Noncontrolling interest	-	-	343,695	-	-	343,695	-	343,695
Temporarily restricted	<u>726,856</u>	<u>225,804</u>	<u>16,850</u>	<u>-</u>	<u>-</u>	<u>969,510</u>	<u>-</u>	<u>969,510</u>
Total net assets	<u>208,512,878</u>	<u>39,306,417</u>	<u>3,453,801</u>	<u>(5,272,721)</u>	<u>1,832,423</u>	<u>247,832,798</u>	<u>(3,093,255)</u>	<u>244,739,543</u>
Total liabilities and net assets	<u>\$ 283,539,480</u>	<u>\$ 125,448,581</u>	<u>\$ 3,817,786</u>	<u>\$ 652,852</u>	<u>\$ 3,093,255</u>	<u>\$ 416,551,954</u>	<u>\$ (38,084,069)</u>	<u>\$ 378,467,885</u>

GEORGETOWN HOSPITAL SYSTEM

Consolidating Statement of Operations

For the Year Ended September 30, 2011

	Georgetown Memorial Hospital	Waccamaw Community Hospital	Georgetown Radiation Therapy Center	Georgetown Physician Services, LLC	Georgetown Hospital System	Consolidated Subtotal	Eliminating Entries	Consolidated Total
Revenue								
Net patient service revenue	\$ 116,186,211	\$ 145,775,350	\$ 3,710,157	\$ 3,847,035	\$ -	\$ 269,518,753	\$ -	\$ 269,518,753
Other revenue	4,134,370	1,045,115	319	-	-	5,179,804	(664,343)	4,515,461
Net assets released from restrictions used for operations	94,531	100,647	-	-	-	195,178	-	195,178
Total revenue	<u>120,415,112</u>	<u>146,921,112</u>	<u>3,710,476</u>	<u>3,847,035</u>	<u>-</u>	<u>274,893,735</u>	<u>(664,343)</u>	<u>274,229,392</u>
Expenses								
Salaries and wages	43,422,844	33,056,274	808,389	986,715	-	78,274,222	-	78,274,222
Employee benefits	14,538,134	10,747,558	269,227	288,325	-	25,843,244	-	25,843,244
Supplies	17,404,338	22,531,392	52,278	116,318	-	40,104,326	-	40,104,326
Fees	453,119	34,344,780	1,045,442	4,909,812	-	40,753,153	-	40,753,153
Other expense	14,462,113	9,050,090	901,036	616,736	-	25,029,975	(664,343)	24,365,632
Depreciation and amortization	8,717,285	6,208,826	399,274	39,082	-	15,364,467	-	15,364,467
Interest expense	2,059,585	3,757,606	-	-	-	5,817,191	(1,600,722)	4,216,469
Provision for bad debts	16,123,064	16,827,942	-	-	-	32,951,006	-	32,951,006
Total expenses	<u>117,180,482</u>	<u>136,524,468</u>	<u>3,475,646</u>	<u>6,956,988</u>	<u>-</u>	<u>264,137,584</u>	<u>(2,265,065)</u>	<u>261,872,519</u>
Income (loss) from operations	<u>3,234,630</u>	<u>10,396,644</u>	<u>234,830</u>	<u>(3,109,953)</u>	<u>-</u>	<u>10,756,151</u>	<u>1,600,722</u>	<u>12,356,873</u>
Non-operating gains (losses)								
Gain on investment in Georgetown Radiation Therapy Center	-	-	-	-	212,373	212,373	(212,373)	-
Gain on investment in Waccamaw Endoscopy Center	63,596	-	-	-	-	63,596	-	63,596
Unrestricted gifts and bequests	13,443	-	-	-	-	13,443	-	13,443
Interest and dividend income	3,442,192	176,386	1,141	-	-	3,619,719	(1,600,722)	2,018,997
Other gain (loss)	289,853	77,504	-	-	-	367,357	-	367,357
Net realized gains on sale of investments	<u>988,178</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>988,178</u>	<u>-</u>	<u>988,178</u>
Total non-operating gains	<u>4,797,262</u>	<u>253,890</u>	<u>1,141</u>	<u>-</u>	<u>212,373</u>	<u>5,264,666</u>	<u>(1,813,095)</u>	<u>3,451,571</u>
Revenue in excess (deficit) of expenses	<u>\$ 8,031,892</u>	<u>\$ 10,650,534</u>	<u>\$ 235,971</u>	<u>\$ (3,109,953)</u>	<u>\$ 212,373</u>	<u>\$ 16,020,817</u>	<u>\$ (212,373)</u>	<u>\$ 15,808,444</u>

GEORGETOWN HOSPITAL SYSTEM

Consolidating Statement of Changes in Net Assets

For the Year Ended September 30, 2011

	Georgetown Memorial Hospital Unrestricted	Georgetown Memorial Hospital Temporarily Restricted	Waccamaw Community Hospital Unrestricted	Waccamaw Community Hospital Temporarily Restricted	Georgetown Radiation Therapy Center Unrestricted	Georgetown Radiation Therapy Center Noncontrolling Interest	Georgetown Radiation Therapy Center Temporarily Restricted	Georgetown Physician Services LLC	Georgetown Hospital System	Consolidated Subtotal	Eliminating Entries	Consolidated Total
Revenue in excess (deficit) of expenses	\$ 8,031,892	\$ -	\$ 10,650,534	\$ -	\$ 212,374	\$ 23,597	\$ -	\$ (3,109,953)	\$ 212,373	\$ 16,020,817	\$ (212,373)	\$ 15,808,444
Net unrealized losses on investments other than trading securities	(5,500,999)	-	-	-	-	-	-	-	-	(5,500,999)	-	(5,500,999)
Contributions	-	403,858	-	162,758	-	-	-	-	-	566,616	-	566,616
Temporarily restricted assets released from restriction used for operations	-	(94,531)	-	(100,647)	-	-	-	-	-	(195,178)	-	(195,178)
Equity transfer	-	25,538	-	-	-	-	(25,538)	-	-	-	-	-
Change in net pension obligation	(1,102,637)	-	-	-	-	-	-	-	-	(1,102,637)	-	(1,102,637)
Increase (decrease) in net assets	1,428,256	334,865	10,650,534	62,111	212,374	23,597	(25,538)	(3,109,953)	212,373	9,788,619	(212,373)	9,576,246
Net assets at beginning of year	206,357,766	391,991	28,430,079	163,693	2,880,882	320,098	42,388	(2,162,768)	1,620,050	238,044,179	(2,880,882)	235,163,297
Net assets at end of year	\$ 207,786,022	\$ 726,856	\$ 39,080,613	\$ 225,804	\$ 3,093,256	\$ 343,695	\$ 16,850	\$ (5,272,721)	\$ 1,832,423	\$ 247,832,798	\$ (3,093,255)	\$ 244,739,543