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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 01-01-2012 , 2012, and ending 12-31-2012

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

C Name of organization
PR Health Corporation

Doing Business As
First Care Health Center

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO Box I 115 Vivian Street

City or town, state or country, and ZIP + 4
Park River, ND 582700708

D Employer identification number
45-0232743

E Telephone number
(701) 284-7233

G Gross receipts $ 9,393,960

F Name and address of principal officer
Louise Dryburgh
PO Box I 115 Vivian Street
Park River, ND 582700708

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

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

H(c) Group exemption number ▶

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

J Website: ▶ www firstcarehc com

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1952

M State of legal domicile ND

Part I Summary

1 Briefly describe the organization's mission or most significant activities
Operation of acute care hospital serving the healthcare needs of individuals residing in the Park River, North Dakota service area

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	10
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	10
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	**5**	101
6	Total number of volunteers (estimate if necessary)	**6**	50
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	435,028	477,750
9	Program service revenue (Part VIII, line 2g)	8,405,873	8,848,317
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	60,337	32,227
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	42,835	29,250
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	8,944,073	9,387,544
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	36,870	1,252
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	3,686,805	3,870,957
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	5,368,579	5,398,578
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	9,092,254	9,270,787
19	Revenue less expenses Subtract line 18 from line 12	-148,181	116,757

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	12,062,063	12,410,519
21	Total liabilities (Part X, line 26)	7,371,664	7,602,736
22	Net assets or fund balances Subtract line 21 from line 20	4,690,399	4,807,783

Net Assets or Fund Balances

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

****** 2013-10-04
Signature of officer Date

Louise Dryburgh Administrator
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
LISA CHAFFEE CPA		2013-10-04		P00193453

Firm's name ▶ EIDE BAILLY LLP — Firm's EIN ▶ 45-0250958

Firm's address ▶ 4310 17TH AVE S PO BOX 2545
FARGO, ND 581082545 — Phone no (701) 239-8500

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

To continue the healing mission of Jesus in a rural setting We are committed to A respect for each person, A caring, Christian environment, Professional excellence, Promoting healthy communities, Personal service, and an Innovative spirit

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations 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 $ 8,311,859 including grants of $ 1,252) (Revenue $ 8,848,317)

First Care Health Center is dedicated to carrying out the healing mission of Jesus In calendar year 2012, First Care Health Center provided acute care to 189 patients This constituted 648 days of care The swing-bed program at the health center provides skilled nursing care for the elderly This program provided service to 119 patients, accounting for 1,199 days of care First Care Health Center provides health care to the community in the form of outpatient services In calendar year 2012, outpatient visits totaling 18,129 were provided to the community In addition, there were 10,928 visits to First Care Rural Health Clinic As part of the mission of First Care Health Center, we provide health care to persons who are unable to pay for the services that they receive First Care Health Center will not deny care to anyone based on their ability to pay Charity care, based on charges foregone, in the amount of $78,000, was written off for qualified individuals Gross revenue from Medicare and Medicaid patients for calendar year 2012 were $6,084,777 Due to the limited reimbursement from these programs, the cost of these services to the hospital is not fully reimbursed

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

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

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

4e **Total program service expenses** ▶ 8,311,859

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 instructions)?	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		No
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		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9	Yes	
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
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		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		No
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 and XII*	12a	Yes	
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 and XII is optional*	12b		No
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, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *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 United States? *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 United States? *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 hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	15		
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, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	101		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
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 as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a** 10		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**		No
6	Did the organization have members or stockholders?	**6**		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		No
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**		No

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

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	**10a**		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	**10b**		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	**11a**	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	**12a**	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	**12b**	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	**12c**	Yes	
13	Did the organization have a written whistleblower policy?	**13**	Yes	
14	Did the organization have a written document retention and destruction policy?	**14**	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	**15a**	Yes	
b	Other officers or key employees of the organization	**15b**		No
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**		

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

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

▶Layne Ensrude CFO 115 Vivian St Park River, ND (701) 284-4540

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 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, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

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

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) Susan Phelps Chair	1 00	X		X				0	0	0
(2) Julie Gemmill Vice Chair	1 00	X		X				0	0	0
(3) Wes Welch Secretary	1 00	X		X				0	0	0
(4) Wallace Rygh Director	1 00	X						0	0	0
(5) John Blair Director	1 00	X						0	0	0
(6) Dan Koenig Director	1 00	X						0	0	0
(7) Jerry Lindell Director	1 00	X						0	0	0
(8) Julie Zikmund Director	1 00	X						0	0	0
(9) Arvid Knutson Director	1 00	X						0	0	0
(10) Fr Gary Luiten Director	1 00	X						0	0	0
(11) Louise Dryburgh Administrator	40 00			X				104,549	0	11,741
(12) Layne Ensrude CFO	40 00			X				90,102	0	5,083
(13) Tamara Clemetson Physicians Assistant	40 00					X		137,265	0	15,367

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** ▶										
c **Total from continuation sheets to Part VII, Section A** ▶										
d **Total (add lines 1b and 1c)** ▶								331,916	0	32,191

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

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
Joel J Johnson MD PC , PO BOX I Park River ND 58270	Physician Services	784,566
OS Omotunde MD , PO Box I Park River ND 58270	Physician Services, Surgery	168,580
Northern Tier Anesthesia Assoc PO Box 447 Grafton ND 58237	Anesthesia Services	138,000

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

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	900			
	d	Related organizations . . .	1d				
	e	Government grants (contributions)	1e	256,865			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	219,985			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶			477,750		
Program Service Revenue			Business Code				
	2a	Patient Service Revenu	622110	8,739,060	8,739,060		
	b	Other Misc Revenue	900099	54,268	54,268		
	c	Interest on Accounts R	900099	46,352	46,352		
	d	Auxiliary Revenue	900099	8,637	8,637		
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		8,848,317			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		32,227			32,227
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real	(ii) Personal			
	6a	Gross rents	3,360				
	b	Less rental expenses	0				
	c	Rental income or (loss)	3,360				
	d	Net rental income or (loss) . . . . . ▶			3,360		3,360
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory					
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) . . . . . ▶					
	8a	Gross income from fundraising events (not including $ 900 of contributions reported on line 1c) See Part IV, line 18 . . a		32,306			
	b	Less direct expenses . . . b		6,416			
	c	Net income or (loss) from fundraising events . . ▶			25,890		25,890
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶					
	12	**Total revenue.** See Instructions . . . . . ▶		9,387,544	8,848,317	0	61,477

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)

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

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 United States See Part IV, line 21	1,252	1,252		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	215,824		215,824	
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	3,065,965	2,813,920	252,045	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	109,001	100,040	8,961	
9 Other employee benefits	240,632	220,850	19,782	
10 Payroll taxes	239,535	206,719	32,816	
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	32,490		32,490	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,806,297	1,772,023	34,274	
12 Advertising and promotion	25,570		25,570	
13 Office expenses	681,773	383,401	298,372	
14 Information technology				
15 Royalties . .				
16 Occupancy	267,192	267,192		
17 Travel	36,542	22,065	14,477	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	294,962	294,962		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	812,105	812,105		
23 Insurance	90,411	90,411		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a Medical Supplies	1,026,993	1,026,993		
b Provision for Bad Debts	290,662	290,662		
c Auxiliary Expense	9,264	9,264		
d				
e All other expenses	24,317		24,317	
25 **Total functional expenses.** Add lines 1 through 24e	9,270,787	8,311,859	958,928	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments		2,860,988	2	2,902,791
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		1,069,674	4	1,360,278
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other 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) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		268,598	8	302,398
	9	Prepaid expenses and deferred charges		230,411	9	167,749
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 10,989,679			
	b	Less accumulated depreciation	10b 5,065,209	6,002,706	10c	5,924,470
	11	Investments—publicly traded securities		1,473,071	11	1,543,881
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		156,615	15	208,952
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		12,062,063	16	12,410,519
Liabilities	17	Accounts payable and accrued expenses		781,938	17	841,014
	18	Grants payable			18	
	19	Deferred revenue			19	89,089
	20	Tax-exempt bond liabilities		990,907	20	945,907
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other 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		5,598,819	23	5,726,726
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D			25	
	26	**Total liabilities.** Add lines 17 through 25		7,371,664	26	7,602,736
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		3,700,781	27	3,806,623
	28	Temporarily restricted net assets		835,284	28	846,826
	29	Permanently restricted net assets		154,334	29	154,334
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		4,690,399	33	4,807,783
	34	Total liabilities and net assets/fund balances		12,062,063	34	12,410,519

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	9,387,544
2	Total expenses (must equal Part IX, column (A), line 25)	2	9,270,787
3	Revenue less expenses Subtract line 2 from line 1	3	116,757
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,690,399
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	627
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	4,807,783

Part XII Financial Statements and Reporting

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

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PR Health Corporation

Employer identification number
45-0232743

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 - Non-functionally integrated

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

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

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

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii) A family member of a person described in (i) above?	**11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1 - 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(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 monetary 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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 2012 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2011 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2012.** 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—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2012.** 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—2011.** 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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2011 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2012.** 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—2011.** 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.** 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).

Facts And Circumstances Test

Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PR Health Corporation

Employer identification number
45-0232743

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

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

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

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

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

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

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

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

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

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

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 XIII and complete the following table

		Amount
c Beginning balance	1c	11,554
d Additions during the year	1d	8,637
e Distributions during the year	1e	9,264
f Ending balance	1f	10,927

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

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . . ☐

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

	(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	154,334	154,334	154,334	154,334	
b Contributions					
c Net investment earnings, gains, and losses	1,127	2,284	1,960	2,084	
d Grants or scholarships					
e Other expenditures for facilities and programs	1,127	2,284	1,960	2,084	
f Administrative expenses					
g End of year balance	154,334	154,334	154,334	154,334	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ 100 000 %
- c Temporarily restricted endowment ▶

The percentages in lines 2a, 2b, and 2c should equal 100%

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

		Yes	No
(i) unrelated organizations	3a(i)	Yes	
(ii) related organizations	3a(ii)		No
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		6,500		6,500
b Buildings		7,577,561	3,048,046	4,529,515
c Leasehold improvements				
d Equipment		3,120,304	1,853,366	1,266,938
e Other		285,314	163,797	121,517
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* . . . . . ▶				5,924,470

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	

2. Fin 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

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

1	Total revenue, gains, and other support per audited financial statements			1	9,031,703
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	-290,662		
e	Add lines **2a** through **2d**			2e	-290,662
3	Subtract line **2e** from line **1**			3	9,322,365
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 XIII)	4b	65,179		
c	Add lines **4a** and **4b**			4c	65,179
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	9,387,544

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

1	Total expenses and losses per audited financial statements			1	8,970,861
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 XIII)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	8,970,861
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 XIII)	4b	299,926		
c	Add lines **4a** and **4b**			4c	299,926
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	9,270,787

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
	Part IV, Line 1b	The organization holds assets on behalf of the First Care Health Center Auxiliary
Description of Intended Use of Endowment Funds	Part V, Line 4	Investments are to be held in perpetuity, and the income from the investments is expendable to support various health care services
Description of Uncertain Tax Positions Under FIN 48	Part X, Line 2	The Health Center is organized as a North Dakota nonprofit organization and has been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) The Health Center is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS In addition, the Health Center is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose The Health Center has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990T) with the IRS The Health Center believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements The Health Center would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred
Part XI, Line 2d - Other Adjustments		Provision for Bad Debts -290,662
Part XI, Line 4b - Other Adjustments		Income From Auxiliary Operations 8,637 Sales tax proceeds and contributions received by donors 56,542
Part XII, Line 4b - Other Adjustments		Expenses From Auxiliary Operations 9,264 Provision for Bad Debts 290,662

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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. Form 990-EZ filers are not required to complete this part.

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PR Health Corporation

Employer identification number
45-0232743

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 email 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

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(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
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

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 FCHC Golf Tournament (event type)	(b) Event #2 Harvest Fest Dance (event type)	(c) Other events ____ (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	15,091	18,115		33,206
	2 Less Contributions	0	900		900
	3 Gross income (line 1 minus line 2)	15,091	17,215		32,306
Direct Expenses	4 Cash prizes	180			180
	5 Noncash prizes		500		500
	6 Rent/facility costs	2,915			2,915
	7 Food and beverages		1,870		1,870
	8 Entertainment				
	9 Other direct expenses	206	745		951
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(6,416)
	11 Net income summary Combine line 3, column (d), and line 10 ▶				25,890

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				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ 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 _____

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 Enter 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 of the third party

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 Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PR Health Corporation

Employer identification number
45-0232743

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year			
	☑ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care	3a	Yes	
	☐ 100% ☐ 150% ☐ 200% ☑ Other 14000 0000000000 %			
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care	3b	Yes	
	☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other 14000 0000000000 %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a		No
b	If "Yes," did the organization make it available to the public?	6b		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			64,000		64,000	0 710 %
b Medicaid (from Worksheet 3, column a)			374,133	273,400	100,733	1 120 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			438,133	273,400	164,733	1 830 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,352		2,352	0 030 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			2,634		2,634	0 030 %
j **Total.** Other Benefits			4,986		4,986	0 060 %
k **Total.** Add lines 7d and 7j			443,119	273,400	169,719	1 890 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing	2		216		216	0 %
2	Economic development	1		540		540	0 010 %
3	Community support	2		1,322		1,322	0 010 %
4	Environmental improvements						
5	Leadership development and training for community members	1		532		532	0 010 %
6	Coalition building	2		892		892	0 010 %
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**	8		3,502		3,502	0 040 %

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1		No
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	290,662		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	119,171		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	4,653,726		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	4,632,993		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	20,733		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☐ Cost to charge ratio ☑ Other

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures** (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year?
1

	Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	First Care Health Center 115 Vivian Street PO Box I Park River, ND 582700708 www.firstcarehc.com	X	X			X		X		Clinic	

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group First Care Health Center

For single facility filers only: line Number of Hospital Facility (from Schedule H, Part V, Section A) 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1		No
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☐ A definition of the community served by the hospital facility			
b	☐ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☐ How data was obtained			
e	☐ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☐ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 ___			
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5	Did the hospital facility make its CHNA report widely available to the public?	5		
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☐ Hospital facility's website			
b	☐ Available upon request from the hospital facility			
c	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a	☐ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☐ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☐ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $___			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 140 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 140 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			

Part V Facility Information *(continued)*

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)

- **a** ☑ Notified individuals of the financial assistance policy on admission
- **b** ☑ Notified individuals of the financial assistance policy prior to discharge
- **c** ☑ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- **d** ☑ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**19**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☑ Other (describe in Part VI)			
21 During the tax year, did the hospital facility charge any FAP-eligible individuals to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?	**22**	Yes	
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, from largest to smallest)

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

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

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

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

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Identifier	ReturnReference	Explanation
		Part I, Line 3c The Hospital uses the same FPG percentage for free and discounted care In addition to the FPGs, the Hospital reviews the monthly budget for charity care to determine how much is available to provide for free versus discounted If a patient is eligible under the 140% policy and the Hospital has reached their monthly budgeted amount, the patient will temporarily receive discounted care However, the patient does qualify for free care going forward, eventually reducing their bill to zero Form 990, Schedule H, Part I, Line 6a The organization's community benefit report can be found on its website at www firstcarehc com
		Part I, Line 7 The Organization calculated the cost for providing financial assistance reported in Part I, line 7a by multiplying the ratio of cost to gross charges for the Hospital by the gross uncompensated charges associated with providing charity care to its patients The Organization used Worksheet 2 to determine the cost for Medicaid on Row b The Organization used actual expenses to determine the cost for Community Health Improvement Services and Contributions, Row e and i
		Part I, L7 Col(f) The amount of bad debt included on Form 990, Part IX, line 25, column (A), but subtracted for purposes of calculating the percentage on this line is $290,662
		Part II Employees were involved in the development of senior housing units which replaced a dilapidated trailer park The Facility assists in economic development efforts for new hiring opportunities First Care employees are paid during their absences for volunteer ambulance calls in order for the local ambulance service to remain viable The Health Center provided board education for the community members in the Lead program, which teaches them to be excellent board members This helps them do well for the facility and also for other boards that they serve on First Care Health Center works with the local development corporation to provide affordable housing The Health Center hosts meetings for the Walsh County Ministerium FCHC staff has provided seminars on electronic medical records Disaster drills are periodically done, in cooperation with local law enforcement, ambulance crews, and others, in order to respond appropriately in the event of a real disaster Free medical advice is provided by Registered Nurses via the telephone for patients unable to come to the facility
		Part III, Line 4 The footnote to the Organization's financial statements can be found on page 8 of the attached audited financial statements Part III, Line 3 The estimated amount of bad debt attributable to patients eligible for charity care of $119,171 is determined by taking the percentage of accounts reaching collection status that were given charity care applications and were not returned This includes requested applications and those accounts FCHC determined might qualify if returned
		Part III, Line 8 Medicare allowable costs of care are based on the Medicare cost report The Medicare cost report is completed based on the rules and regulations set forth by CMS
		Part III, Line 9b First Care Health Center's payment policy requires payment in full within 30 days of billing If a patient is not in a position to pay in full, there is a schedule of payments based on amount owed Patients who do not have the financial means to pay their bill may fill out a charity care application which is based on the federal poverty guidelines Patients who qualify may have their bill totally or partially discounted There are no collection efforts made on patient accounts that qualify for the charity care program On a monthly basis these accounts are reviewed to determine if they should be written off For those who don't qualify or choose not to apply, payment is expected according to the payment policy For those not making any payments within 60 days of billing, a series of collection letters begin to be mailed out to them Anyone not responding or not making a payment after 180 days is turned over to a collection agency
First Care Health Center		Part V, Section B, Line 20d The hospital only provides free care under its financial assistance policy (there is no sliding scale discount) Therefore, patients under this policy do not pay anything for care
First Care Health Center		Part V, Section B, Line 22 All individuals eligible under the hospital financial assistance policy are provided a discount for emergency and other medically necessary care The financial assistance policy does not apply to elective procedures Therefore, FAP-eligible patients without insurance may be charged gross charges on elective procedures
		Part VI, Line 2 First Care Health Center utilizes patient satisfaction surveys and assessment surveys to get feedback on the services offered and to find out what services are desired by the people we serve Most recently, the surveys focused on wellness and outreach to the surrounding communities A formal community needs assessment was completed in August 2012
		Part VI, Line 3 First Care Health Center posts its charity care policy, or a summary thereof, and financial assistance contact information (1) in admissions areas, emergency rooms, and other areas of the Organization's facilities in which eligible patients are likely to be present,(2) provides a copy of the policy, or a verbal summary thereof, and financial assistance contact information to patients as part of the intake process, (3) provides a copy of the policy, or a verbal summary thereof, and financial assistance contact information to patients with discharge materials, (4) may include the policy, or a summary thereof, along with financial assistance contact information, in patient bills, and/or (5) discusses with the patient the availability of various government benefits, such as Medicaid or state programs, and assists the patient with qualification for such programs, where applicable In addition, the charity care policy will also be posted on the facility web site
		Part VI, Line 4 First Care Health Center (FCHC) serves a rural geographical area in NE North Dakota which includes portions of six counties The total population served is estimated at 20,000 The median household income of the service area is $46,453 with 10 3% of the population below the federal poverty level Just over nine percent of the communities' patients are uninsured or on Medicaid The main county, in which the Health Center is located, is a federally-designated primary care HPSA due to low income FCHC is located in Park River, which is a federally-designated medically underserved area The unemployment rate of the service area is 5 6% Nearly 20 4% of the area population is over 65 years of age and just over 22 2% of the area population are children zero to seventeen years of age
		Part VI, Line 5 The Organization's governing body is comprised of persons who reside in the Organization's primary service area who are neither employees nor contractors of the Organization, nor family members thereof The Organization applies any surplus funds to improve the Facility and equipment to improve patient care The Organization also extends medical staff privileges to other qualified physicians in the community Educational pamphlets and brochures are available at no cost to patients FCHC staff assist patients with understanding their Medicare and Medicaid benefits, applying for said benefits, and help in completing Advanced Medical Directives and Living Wills The Facility participates in the annual county fair by renting booth space to educate the public on various health issues First Care Health Center sponsors drives to collect school supplies for the area schools and food donations to the local food pantry FCHC participates in mentoring medical, pharmacy, nursing, and health careers students First Care Health Center also provides nail care at a nominal fee by licensed staff This service serves as a first step in checking for issues in diabetic patients The fee does not cover the cost of space, salaries, or supplies but is done more as a service to patients First Care Health Center provides many other services that benefit the community for which there is little or no reimbursement The following list provides examples of some of the services and programs offered *Tours of the hospital to children *Provide rooms for overnight stay for families of patients *Training to area vocational high school students *Provide preceptorships for nurses training *Provide educational pamphlets and brochures to the community *Provide free medical advice from registered nurses via telephone *Provide meals to parents of pediatric patients *Personnel run errands for patients *Provide supplies and movies for activities and crafts for swing-bed patients *Pay for local travel for swing-bed patients

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PR Health Corporation

Employer identification number
45-0232743

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

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

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		**(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 as deferred in prior Form 990
		(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
(1) Tamara Clemetson	**(i)**	137,265	0	0	4,481	11,453	153,199	0
Physicians Assistant	**(ii)**	0	0	0	0	0	0	0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Identifier	Return Reference	Explanation

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PR Health Corporation

Employer identification number
45-0232743

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	City Of Park River	45-6004121	70085RAW1	11-01-2005	1,215,000	Construction of improvements to center		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	255,000			
2	Amount of bonds legally defeased				
3	Total proceeds of issue	1,192,401			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	16,108			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	1,176,293			
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2005			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any 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 00000%		%		%		%	
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 00000%		%		%		%	
6	Total of lines 4 and 5	0 00000%		%		%		%	
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of	%		%		%		%	
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?		X						

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X						
b	Exception to rebate?	X							
c	No rebate due?		X						
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X							
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								

Part IV Arbitrage *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X						
7	Has the organization established written procedures to monitor the requirements of section 148?		X						

Part V Procedures To Undertake Corrective Action

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?		X						

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Identifier	Return Reference	Explanation
Schedule K, Part II, Line 3		The issue price of the bonds reported on Form 8038, Part III, Line 21(b) filed for the bond issue was $1,215,000 The purchase price for the bonds was $1,192,401 The difference of $22,599 represents an underwriters discount on the bid

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PR Health Corporation

Employer identification number
45-0232743

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 8b	There are no committees that exist that can act on behalf of the governing board All decisions are made by the governing board
	Form 990, Part VI, Section B, line 11	The CFO and Administrator review the Form 990 together The Form 990 is also provided to the Board of Directors electronically for their review and approval prior to filing the Form 990 with the IRS
	Form 990, Part VI, Section B, line 12c	Annual disclosures by the board members are reviewed by the CFO after signature If a board member has a conflict on a particular issue he/she will identify the conflict and he/she must abstain from voting on that issue
	Form 990, Part VI, Section B, line 15a	The Board determines and approves the Administrator's compensation The board compares the salary with similar organizations, all of which is recorded in the board meeting minutes The CFO's salary is determined by the Administrator, which is typically a small percentage increase from the prior year The process for determining compensation for both positions is performed on an annual basis
	Form 990, Part VI, Section C, line 19	The governing documents, conflict of interest policy, and financial statements are available upon request
Other Fees	Form 990, Part IX, line 11g	Medical Professional fees Program service expenses 1,746,396 Management and general expenses 0 Fundraising expenses 0 Total expenses 1,746,396 Maintenance and Housekeeping professional fees Program service expenses 25,627 Management and general expenses 0 Fundraising expenses 0 Total expenses 25,627 Administrative professional fees Program service expenses 0 Management and general expenses 10,182 Fundraising expenses 0 Total expenses 10,182 Administrative collection fees Program service expenses 0 Management and general expenses 24,092 Fundraising expenses 0 Total expenses 24,092
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 9	Net Income From Auxiliary Operations 627

Financial Statements
December 31, 2012 and 2011

P.R. Health Corporation
d/b/a First Care Health Center

Park River, North Dakota

P.R. Health Corporation
d/b/a First Care Health Center
Table of Contents
December 31, 2012 and 2011

Independent Auditor's Report

The Board of Directors
P.R. Health Corporation
d/b/a First Care Health Center
Park River, North Dakota

Report on the Financial Statements

We have audited the accompanying financial statements of P.R. Health Corporation d/b/a First Care Health Center (Health Center), which comprise the balance sheets as of December 31, 2012 and 2011, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of P.R. Health Corporation d/b/a First Care Health Center. as of December 31, 2012 and 2011, and the results of its operations, changes in net assets, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter Regarding Accounting Principles

As discussed in Note 14 to the financial statements, in accordance with updates to the relevant accounting standards pertaining to the presentation and disclosure of patient service revenue, provision for bad debts, and allowance for doubtful accounts for certain health care entities, First Care Health Center has changed its presentation and disclosure of those financial statement elements.

Eide Bailly LLP

Fargo, North Dakota
March 20, 2013

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	2012	2011
Assets		
Current Assets		
Cash and cash equivalents	$ 2,902,791	$ 2,860,988
Receivables		
Patient, net of estimated uncollectibles of $1,331,000 in 2012 and $1,130,000 in 2011	1,165,899	1,025,824
Estimated third-party payor settlements	173,900	117,000
Other	194,379	43,850
Supplies	302,398	268,598
Prepaid expenses	167,749	230,411
Total current assets	4,907,116	4,546,671
Assets Limited as to Use		
By board for capital improvements	209,413	209,406
Sales tax reserve fund	462,680	402,169
Total assets limited as to use	672,093	611,575
Property and Equipment, Net	5,924,470	6,002,706
Other Assets		
Investments	871,788	861,496
Deferred interest	12,000	15,000
Deferred financing costs, net of accumulated amortization of $9,427 in 2012 and $7,864 in 2011	23,052	24,615
Total other assets	906,840	901,111
Total assets	$ 12,410,519	$ 12,062,063

See Notes to Financial Statements

First Care Health Center
Balance Sheets
December 31, 2012 and 2011

	2012	2011
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt	$ 312,647	$ 330,600
Accounts payable	323,026	283,441
Accrued expenses		
Salaries	133,188	124,962
Vacation	249,341	248,823
Pension	126,000	114,000
Payroll taxes and other	9,459	10,712
Total current liabilities	1,153,661	1,112,538
Deferred Revenue	89,089	-
Long-Term Debt, Less Current Maturities	6,359,986	6,259,126
Total liabilities	7,602,736	7,371,664
Net Assets		
Unrestricted	3,806,623	3,700,781
Temporarily restricted	846,826	835,284
Permanently restricted	154,334	154,334
Total net assets	4,807,783	4,690,399
Total liabilities and net assets	$ 12,410,519	$ 12,062,063

First Care Health Center
Statements of Operations
Years Ended December 31, 2012 and 2011

	2012	2011
Unrestricted Revenues, Gains and Other Support		
Net patient service revenue	$ 8,739,060	$ 8,298,863
Provision for bad debts	(290,662)	(370,513)
Net patient service revenue less provision for bad debts	8,448,398	7,928,350
Other revenue	420,898	295,202
Total revenues, gains and other support	8,869,296	8,223,552
Expenses		
Professional care of patients	5,582,213	5,237,065
General and administrative	1,602,221	1,530,622
Property and household	552,298	527,711
Dietary	125,810	119,050
Depreciation and amortization	812,105	957,204
Interest	294,962	303,869
Contributions	1,252	36,870
Total expenses	8,970,861	8,712,391
Operating Loss	(101,565)	(488,839)
Other Income		
Investment income	78,579	130,173
Unrestricted gifts and bequests	74,568	89,913
Other	9,260	8,552
Total other income	162,407	228,638
Revenues in Excess of (Less Than) Expenses	60,842	(260,201)
Net Assets Released from Restrictions for Principal Payments	45,000	45,000
Increase (Decrease) in Unrestricted Net Assets	$ 105,842	$ (215,201)

First Care Health Center
Statements of Changes in Net Assets
Years Ended December 31, 2012 and 2011

	2012	2011
Unrestricted Net Assets		
Revenues in excess of (less than) expenses	$ 60,842	$ (260,201)
Net assets released from restrictions for principal payments	45,000	45,000
Increase (decrease) in unrestricted net assets	105,842	(215,201)
Temporarily Restricted Net Assets		
Sales tax proceeds and contributions restricted by donors	155,034	164,995
Net assets released from restrictions	(143,492)	(99,912)
Increase in temporarily restricted net assets	11,542	65,083
Increase (Decrease) in Net Assets	117,384	(150,118)
Net Assets, Beginning of Year	4,690,399	4,840,517
Net Assets, End of Year	$ 4,807,783	$ 4,690,399

	2012	2011
Operating Activities		
Change in net assets	$ 117,384	$ (150,118)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	812,105	957,204
Contributions restricted by donors	(155,034)	(164,995)
Provision for bad debts	290,662	370,513
Amortization of bond discount	-	1,007
Changes in assets and liabilities		
Receivables	(638,166)	(89,724)
Supplies	(33,800)	(32,456)
Prepaid expenses	62,662	(106,640)
Accounts payable	39,585	(12,958)
Accrued expenses	19,491	40,744
Deferred revenue	89,089	-
Net Cash from Operating Activities	603,978	812,577
Investing Activities		
Purchase of property and equipment	(306,034)	(69,330)
Increase in assets limited as to use	(60,518)	(63,479)
Purchases of investments	(10,292)	(15,768)
Net Cash used for Investing Activities	(376,844)	(148,577)
Financing Activities		
Repayment of long-term debt	(343,365)	(385,814)
Contributions restricted by donors	155,034	164,995
Decrease in deferred interest	3,000	3,000
Net Cash used for Financing Activities	(185,331)	(217,819)
Net Increase in Cash and Cash Equivalents	41,803	446,181
Cash and Cash Equivalents, Beginning of Year	2,860,988	2,414,807
Cash and Cash Equivalents, End of Year	$ 2,902,791	$ 2,860,988
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	$ 291,962	$ 299,862

Supplemental Disclosure of Noncash Investing and Financing Activity

During 2012, the Health Center entered into a capital lease agreement for equipment totaling $426,272.

Note 1 - Organization and Significant Accounting Policies

Organization

P.R. Health Corporation d/b/a First Care Health Center (Health Center) is a 14-bed acute care hospital and clinic in Park River, North Dakota.

Tax-Exempt Status

The Health Center is organized as a North Dakota nonprofit organization and has been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Health Center is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Health Center is subject to income tax on net income that is derived from business activities that is unrelated to its exempt purpose. The Health Center has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990T) with the IRS.

The Health Center believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Health Center would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Use of Estimates

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

Fair Value Measurements

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

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

A fair value hierarchy has been established which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

Cash and Cash Equivalents

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

Patient Receivables

Patient receivables are uncollateralized patient and third-party payor obligations. Unpaid patient receivables, excluding amounts due from third-party payors, with discharge dates over 90 days old have interest assessed at 1% per month. These interest charges are recognized as income when incurred. Effective July 2012, the Health Center temporarily suspended the assessment of interest due to implementation of a new billing system.

Payments of patient receivables are allocated to the specific claims identified on the remittance advice or, if unspecified, are applied to the earliest unpaid claim.

Patient accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Health Center analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third party coverage, the Health Center analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Health Center records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates, if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts

The Health Center's process for calculating the allowance for doubtful accounts for self-pay patients has not significantly changed from December 31, 2011 to December 31, 2012. The Health Center does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors. The Health Center has not significantly changed charity care or uninsured discount policies during fiscal years 2011 or 2012.

Supplies

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

Investments and Investment Income

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

Assets Limited as To Use

Assets limited as to use includes assets held by the City of Park River, which consist of sales tax collections allocated to the Health Center to be used for principal payment of the Sales Tax Revenue Bonds, Series 2005, and assets set aside by the Board of Directors for future capital improvements, over which the board retains control and may at its discretion subsequently use for other purposes. Amounts available for obligations classified as current liabilities and reported as current assets.

Property and Equipment

Property and equipment acquisitions in excess of $5,000 are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Amortization is included in depreciation in the financial statements. Estimated useful lives of property and equipment are as follows:

Land improvements	5-20 years
Buildings	5-50 years
Fixed equipment	10-25 years
Major movable equipment	4-20 years

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

Deferred Interest

Deferred interest represents interest prepaid on the RUS loan payable (Note 6). Deferred interest is being amortized to interest expense over the period the related obligation is outstanding using the straight-line method.

Deferred Financing Costs

Deferred financing costs are amortized over the period the related obligation is outstanding using the straight-line method. Amortization of deferred financing costs is included in depreciation and amortization in the accompanying financial statements.

Original Issue Discounts

Original issue discounts are amortized to interest expense over the period the related obligation is outstanding using the straight-line method.

Deferred Revenue

Deferred revenue represents amounts related to EHR incentive payments that are being recognized as revenue over a four year period.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Health Center has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Health Center in perpetuity.

Expenses in Excess of Revenues

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

Net Patient Service Revenue

The Health Center has agreements with third-party payors that provide for payments to the Health Center 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.

The Health Center recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered, as noted above. For uninsured patients that do not qualify for charity care, the Health Center recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of the Health Center's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Health Center records a significant provision for bad debts related to uninsured patients in the period the services are provided. Net patient service revenue, but before the provision for bad debts, recognized for the years ended December 31, 2012 and 2011 from these major payor sources, is as follows:

	2012	2011
Net patient service revenue		
Third-party payors	$ 8,212,807	$ 7,524,903
Self-pay	526,253	773,960
Total all payors	$ 8,739,060	$ 8,298,863

Charity Care

The Health Center provides health care services to patients who meet certain criteria under its Charity Care Policy without charge or at amounts less that established rates. Since the Health Center does not pursue collection of these amounts, they are not reported as patient service revenue. The estimated cost of providing these services was $64,000 and $51,000 for the years ended December 31, 2012 and 2011, calculated by multiplying the ratio of cost to gross charges for the Hospital by the gross uncompensated charges associated with providing charity care to its patients.

Donor-restricted Gifts

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

Advertising Costs

The Health Center expenses advertising costs as they are incurred.

Electronic Health Record Incentive Payments

The American Recovery and Reinvestment Act of 2009 (ARRA) amended the Social Security Act to establish incentive payments under the Medicare and Medicaid programs for certain hospitals and professionals that demonstrate meaningful use of certified Electronic Health Records (EHR) technology.

To qualify for the EHR incentive payments, hospitals and physicians must meet designated EHR meaningful use criteria. In addition, hospitals must attest that they have used certified EHR technology, satisfied the meaningful use objectives, and specify the EHR reporting period. This attestation is subject to audit by the federal government or its designee. The EHR incentive payment to hospitals for each payment year is calculated as a product of (1) allowable costs as defined by the Centers for Medicare & Medicaid Services (CMS) and (2) the Medicare share. Once the initial attestation of meaningful use is completed, critical access hospitals receive the entire EHR incentive payment for submitted allowable costs of the respective periods in a lump sum, subject to a final adjustment on the cost report.

The Health System recognizes EHR incentive payments as revenue when there is reasonable assurance that the Health System will comply with the conditions attached to the incentive payments. As the entire EHR incentive payment is received in a lump sum for critical access hospitals, and the Health System must annually attest to increasingly stringent meaningful use criteria, the EHR incentive payment is first recognized as a deferred revenue with a ratable recognition of revenue over a specified time period.

Reclassifications

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

Note 2 - Net Patient Service Revenue

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

Medicare. The Health Center is licensed as a Critical Access Hospital (CAH). The Health Center is reimbursed for most inpatient and outpatient services at cost plus 1% with final settlement determined after submission of annual cost reports by the Health Center and are subject to audits thereof by the Medicare intermediary. The Health Center's Medicare cost reports have been audited by the Medicare fiscal intermediary through the year ended December 31, 2010. Clinical services are paid on a cost basis or fixed fee schedule.

Medicaid. Acute care services rendered to Medicaid program beneficiaries are paid on a cost related basis. Inpatient services are reimbursed using Medicare interim per diem rates, decreased by 1%, and outpatient services are paid at the Medicare interim payment rates. Final cost settlements are determined based on the audited Medicare cost reports. Clinical services are paid on a fixed fee schedule.

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

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

Revenue from the Medicare and Medicaid programs accounted for approximately 56% and 4% of the Health Center's net patient service revenue for the year ended December 31, 2012 and 50% and 3% for the year ended December 31, 2011. Laws and regulations governing the Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Net patient service revenue for the years ended December 31, 2012 and 2011 increased approximately $51,000 and $138,000 due to removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer likely subject to audits, reviews, and investigations.

A summary of patient service revenue and contractual adjustments for the years ended December 31, 2012 and 2011 is as follows:

	2012	2011
Total patient service revenue	$ 10,549,013	$ 10,112,398
Contractual adjustments		
Medicare	(752,993)	(850,406)
Blue Cross Blue Shield	(681,128)	(576,561)
Medicaid	(136,431)	(219,197)
Other	(239,401)	(167,371)
Total contractual adjustments	(1,809,953)	(1,813,535)
Net patient service revenue	$ 8,739,060	$ 8,298,863

Note 3 - Investments and Investment Income

Assets Limited as to Use

A summary of assets limited as to use at December 31, 2012 and 2011 is shown in the following table. Cash equivalents and certificates of deposit are recorded at cost plus accrued interest.

	2012	2011
By board for capital improvements		
Cash and cash equivalents	$ 209,413	$ 209,406
Sales tax reserve fund - held by City of Park River - Note 6		
Cash and cash equivalents	$ 187,297	$ 130,057
Certificates of deposit	275,383	272,112
	$ 462,680	$ 402,169

Investments

All certificates of deposit with original maturities of greater than 12 months are considered to be long-term investments. Certificates of deposit are recorded at cost plus accrued interest.

	2012	2011
Certificates of deposit	$ 871,788	$ 861,496

Investment Income

Investment income on investments, assets limited as to use, accounts receivable, and cash equivalents consist of the following for the years ended December 31, 2012 and 2011:

	2012	2011
Other income		
Interest income	$ 78,579	$ 130,173

Note 4 - Property and Equipment

A summary of property and equipment at December 31, 2012 and 2011 follows:

	2012		2011	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	$ 6,500	$ -	$ 6,500	$ -
Land improvements	285,314	163,797	285,314	135,362
Buildings	7,577,561	3,048,046	7,572,006	2,587,576
Fixed equipment	445,123	201,390	432,083	174,252
Major movable equipment - Note 5	2,660,631	1,637,426	2,747,322	2,143,329
Vehicle	14,550	14,550	14,550	14,550
	$ 10,989,679	$ 5,065,209	$ 11,057,775	$ 5,055,069
Net property and equipment		$ 5,924,470		$ 6,002,706

Note 5 - Leases

The Health Center leases certain equipment under a noncancelable long-term lease agreements. These leases have been determined to be capital leases. The capitalized lease assets consists of:

	2012	2011
Major movable equipment - Note 4	$ 426,272	$ 800,000
Less accumulated amortization (included as depreciation in the accompanying financial statements)	(14,209)	(685,398)
	$ 412,063	$ 114,602

Minimum future lease payments for the capital lease are as follows:

Years Ending December 31,	Amount
2013	$ 95,364
2014	95,364
2015	95,364
2016	95,364
2017	79,470
Total minimum lease payments	460,926
Less interest	(47,375)
Present value of minimum lease payments - Note 6	$ 413,551

Note 6 - Long-Term Debt

	2012	2011
Sales Tax Revenue Bonds, Series 2005		
4% term bonds, due in varying annual sinking fund requirements commencing in May 2011 to May 2014	$ 95,000	$ 140,000
4.25% - 4.5% serial bonds, due in varying annual installments commencing in May 2015 to May 2016	105,000	105,000
5.0% term bonds, due in varying annual installments commencing in May 2017 to May 2027	760,000	760,000
Less original issue discount	(14,093)	(14,093)
4.25% USDA Direct Loan, due in monthly installments of $20,400, including interest, to January 2038, secured by revenues and property	3,768,171	3,850,907
1.62% (imputed interest rate) note payable to RUS, due in annual installments of $40,000 to September 2015	120,000	160,000
4.5% capital lease obligation, due in monthly installments of $7,947 including interest, to October 2017, secured by leased equipment - Note 5	413,551	-
Variable rate note payable to bank, due in monthly installments of $11,521, including interest, to January 2028, secured by first real estate mortgage of certain property (1)	1,425,004	1,484,720
2.37% capital lease obligation - Note 5	-	103,192
	6,672,633	6,589,726
Less current maturities	(312,647)	(330,600)
Long-term debt, less current maturities	$ 6,359,986	$ 6,259,126

(1) 90% of this note bears interest at a rate equal to the Bank of North Dakota guaranteed fixed rate index plus 30 basis points and 10% of this note bears interest at a rate equal to the Bank of North Dakota guaranteed fixed rate index plus 100 basis points which results in a blended rate of 5.39%. The interest rate shall be adjusted every 5 years utilizing the same index and formula beginning January 9, 2013. The monthly payments will also be adjusted every 5 years beginning January 9, 2013, to amortize the principal balance over the remaining term of the loan. On January 9, 2013, the interest rate was adjusted to 2.61%.

Long-term debt maturities are as follows:

Years Ending December 31,	Amount
2013	$ 312,647
2014	328,467
2015	339,806
2016	316,691
2017	313,223
Thereafter	5,075,892
Less unamortized bond discount	(14,093)
Total	$ 6,672,633

Note 7 - Temporarily And Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31, 2012 and 2011:

	2012	2011
Debt obligations (principal and interest)	$ 443,795	$ 387,194
Equipment	356,469	356,469
Healthy Community grant	46,562	46,562
Hospice	-	45,059
	$ 846,826	$ 835,284

In 2012 and 2011, net assets were released from donor restrictions by incurring expenditures satisfying the restricted purposes in the amount of $143,492 and $99,912. These amounts are included in net assets released from restrictions, other revenue, and investment income in the accompanying financial statements.

Permanently restricted net assets at December 31, 2012 and 2011 are restricted to:

	2012	2011
Investments to be held in perpetuity, the income from which is expendable to support various health care services	$ 154,334	$ 154,334

Note 8 - Endowment Funds

The State of North Dakota adopted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Health Center classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Health Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization.

At December 31, 2012 and 2011, the Health Center had the following endowment net asset composition by type of fund:

	Temporarily Restricted	Permanently Restricted	Total
December 31, 2012			
Endowments	$ -	$ 154,334	$ 154,334

	Temporarily Restricted	Permanently Restricted	Total
December 31, 2011			
Endowments	$ -	$ 154,334	$ 154,334

The following were the changes in the endowment net assets for the years ended December 31, 2012 and 2011:

	Temporary Restricted	Permanently Restricted
December 31, 2010	$ -	$ 154,334
Interest income	2,284	-
Expenditures	(2,284)	-
December 31, 2011	-	154,334
Interest income	1,127	-
Expenditures	(1,127)	-
December 31, 2012	$ -	$ 154,334

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or SPMIFA requires the Health Center to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are reported in unrestricted net assets. The Health Center's policy is to fund any deficiencies. There were no such deficiencies as of December 31, 2012 and 2011.

Return Objectives and Risk Parameters

The Health Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to support the operations of the Health Center. Endowment assets include permanently restricted funds. The endowment assets are invested in a manner that is intended to produce results that exceed the price and yield positive results while assuming a low level of investment risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Health Center relies on an investment allocation with investments in certificates of deposit.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Health Center's policy is to maintain sufficient financial stability for the operations of the Health Center. Interest and dividends net of investment expense are currently added to temporarily restricted net assets and appropriately by the Board in the same year.

Note 9 - Pension Plan

The Health Center has a defined contribution pension plan under which employees become participants upon reaching age 21 and completion of one year of service. Employer contributions are discretionary. Contributions are deposited with the plan trustee who invests the plan assets. Total pension expense for the years ended December 31, 2012 and 2011, was $116,159 and $119,551.

Note 10 - Concentrations of Credit Risk

The Health Center grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31, 2012 and 2011 was as follows:

	2012	2011
Medicare	15%	15%
Blue Cross Blue Shield	12%	11%
Medicaid	6%	4%
Other commercial	7%	6%
Self pay and other	60%	64%
	100%	100%

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

Note 11 - Functional Expenses

The Health Center provides general health care services to residents within its geographic location. Expenses related to providing these services by functional class for the years ended December 31, 2012 and 2011 are as follows:

	2012	2011
Patient health care services	$ 7,737,417	$ 7,395,272
General and administrative	1,233,444	1,317,119
	$ 8,970,861	$ 8,712,391

Note 12 - Fair Value Of Financial Instruments

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash Equivalents:

The carrying amount approximates fair value because of the short maturity of those instruments.

Accounts Receivable and Accounts Payable:

Accounts receivable has been recorded at net realizable value which is believed to approximate fair value. Account payable approximates fair value because of the short time for which accounts payable are outstanding.

Long-term Debt:

The fair value of long-term debt is based on current traded value. Management has estimated the fair value of all long-term debt obligations to be approximately $6,725,000 and $6,645,000 at December 31, 2012 and 2011.

Note 13 - Contingencies

Malpractice Insurance

The Health Center has insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of $1 million per claim and an annual aggregate of $5 million. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured.

Litigations, Claims, and Disputes

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

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

Note 14 - Changes in Accounting Principles

As of and for the year ended December 31, 2012, the Health Center adopted the provisions of ASU No. 2011-07, *Health Care Entities (Topic 954) Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, as required. In accordance with the implementation guidance, the Health Center retroactively applied the presentation requirements to 2011. The impact on 2011 was a decrease to total revenues, gains, and other support of $370,513, and a decrease to total expenses of $370,513 in the statements of operations. There was no impact on operating loss or net assets.

Note 15 - Subsequent Events

The Health Center has evaluated subsequent events through March 20, 2013, the date which the financial statements were available to be issued.

Supplementary Information
December 31, 2012 and 2011

P.R. Health Corporation
d/b/a First Care Health Center

Park River, North Dakota

Independent Auditor's Report on Supplementary Information

The Board of Directors
P.R. Health Corporation
d/b/a First Care Health Center
Park River, North Dakota

We have audited the financial statements of P.R. Health Corporation d/b/a First Care Health Center as of and for the years ended December 31, 2012 and 2011, and have issued our report thereon dated March 20, 2013, which contained an unqualified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 24 through 30 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 and 2011 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheets of P.R. Health Corporation d/b/a First Care Health Center as of December 31, 2010, 2009, and 2008, and the related consolidated statements of operations, changes in net assets, and cash flows for each of the three years in the period ended December 31, 2010 (none of which is presented herein), and we expressed unqualified opinions on those financial statements. Those audits were conducted for purposes of forming an opinion on the financial statements as a whole. The operational highlights on page 31 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the operational highlights are fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

The statistical and financial highlights on page 31, which is the responsibility of management, is presented for the purposes of additional analysis and is not a required part of the financial statements. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on that information.

Eide Bailly LLP

Fargo, North Dakota
March 20, 2013

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	2012		
	Inpatient	Outpatient	Total
Patient Service Revenue			
Routine care			
Adults and pediatrics	$ 617,274	$ -	$ 617,274
Swing bed	294,662	-	294,662
Observation	6,508	350,116	356,624
Special care unit	35,586	-	35,586
	954,030	350,116	1,304,146
Ancillary services			
Clinic	-	1,659,605	1,659,605
Laboratory	90,086	1,118,122	1,208,208
Pharmacy	345,800	1,101,443	1,447,243
Intravenous solutions	41,072	40,563	81,635
Central supply	185,751	226,410	412,161
CT scans	57,681	597,834	655,515
Respiratory therapy	202,793	19,521	222,314
Radiology	14,315	240,298	254,613
Emergency room	9,729	604,473	614,202
Ultrasound	17,059	201,242	218,301
Physical therapy	109,762	212,820	322,582
Operating room	14,816	650,478	665,294
Anesthesia	6,099	202,717	208,816
MRI	13,324	552,944	566,268
Mammography	-	147,569	147,569
Nuclear medicine	978	17,366	18,344
Cardiac rehab	-	20,931	20,931
Electrocardiography	2,889	49,718	52,607
Blood bank	14,663	37,560	52,223
Recovery room	473	7,619	8,092
Electroencephalography	1,939	55,436	57,375
Foot care	-	3,817	3,817
Occupational therapy	63,047	875	63,922
Speech therapy	4,123	-	4,123
Treatment room	2,166	354,941	357,107
	1,198,565	8,124,302	9,322,867
	$ 2,152,595	$ 8,474,418	10,627,013
Charity care (charges foregone)			(78,000)
Total patient service revenue			$ 10,549,013

First Care Health Center
Schedules of Total Patient Service Revenue
Years Ended December 31, 2012 and 2011

	2011		
	Inpatient	Outpatient	Total
Patient Service Revenue			
Routine care			
Adults and pediatrics	$ 683,012	$ -	$ 683,012
Swing bed	251,800	-	251,800
Observation	16,909	393,081	409,990
Special care unit	74,318	-	74,318
	1,026,039	393,081	1,419,120
Ancillary services			
Clinic	-	1,587,385	1,587,385
Laboratory	84,779	906,471	991,250
Pharmacy	420,864	1,023,449	1,444,313
Intravenous solutions	5,600	13,040	18,640
Central supply	199,022	217,600	416,622
CT scans	66,074	679,449	745,523
Respiratory therapy	209,144	22,516	231,660
Radiology	15,055	170,064	185,119
Emergency room	38,041	549,637	587,678
Ultrasound	19,754	192,977	212,731
Physical therapy	109,176	219,297	328,473
Operating room	42,231	611,303	653,534
Anesthesia	20,135	187,484	207,619
MRI	7,927	467,460	475,387
Mammography	-	149,389	149,389
Nuclear medicine	-	16,007	16,007
Cardiac rehab	-	15,250	15,250
Electrocardiography	3,569	44,571	48,140
Blood bank	16,402	39,862	56,264
Recovery room	2,250	8,150	10,400
Electroencephalography	-	47,731	47,731
Foot care	-	4,546	4,546
Occupational therapy	43,417	850	44,267
Speech therapy	596	-	596
Treatment room	1,094	285,660	286,754
	1,305,130	7,460,148	8,765,278
	$ 2,331,169	$ 7,853,229	10,184,398
Charity care (charges foregone)			(72,000)
Total patient service revenue			$ 10,112,398

First Care Health Center
Schedules of Other Revenue
Years Ended December 31, 2012 and 2011

	2012	2011
Net assets released from restrictions	$ 224	$ 3,126
Clinic rent	3,360	4,260
Dietary	3,797	8,665
Medical records	1,741	2,651
Other, primarily sales tax revenue	86,958	55,355
Grants	324,602	220,979
Cafeteria	216	166
Total other revenue	$ 420,898	$ 295,202

	2012	2011
Professional Care of Patients		
Nursing		
Salaries	$ 538,419	$ 577,458
Rentals	61,666	60,708
Supplies	61,549	54,151
Repairs	7,783	6,807
Professional fees	6,006	4,122
Other	24,195	20,026
	699,618	723,272
Clinic		
Salaries	406,888	344,895
Professional fees	897,763	887,124
Supplies	48,474	52,570
Insurance	41,667	25,000
Other	3,737	2,697
	1,398,529	1,312,286
Laboratory		
Salaries	246,211	234,125
Supplies	121,559	93,614
Professional fees	89,013	88,937
Repairs and maintenance	22,721	20,611
Travel and education	1,354	1,480
	480,858	438,767
Radiology		
Salaries	236,379	226,404
Repairs and maintenance	121,243	151,207
Supplies	14,443	11,583
Professional fees	26,664	21,578
Other	52,644	477
	451,373	411,249
Pharmacy		
Drugs	578,411	592,140
Professional fees	12,956	8,375
	591,367	600,515
Nursing administration		
Salaries	76,201	49,722
Supplies	548	654
	76,749	50,376

	2012	2011
Professional Care of Patients, Continued		
Swing bed		
Salaries	$ 288,614	$ 280,728
Other	-	376
	288,614	281,104
Central supply		
Salaries	96,333	83,559
Supplies	966	9,442
Repairs and maintenance	6,496	3,226
	103,795	96,227
Physical and occupational therapy		
Salaries	89,634	85,774
Professional fees	17,674	14,556
Supplies	2,059	870
	109,367	101,200
Respiratory therapy		
Salaries	32,345	31,521
Supplies and other	4,446	3,615
	36,791	35,136
Electrocardiography		
Salaries	5,951	4,742
Electroencephalography		
Salaries	-	119
Professional fees	21,600	20,410
	21,600	20,529
Anesthesia		
Purchased services	126,500	134,250
Supplies and other	(301)	842
	126,199	135,092
Operating room		
Salaries	124,047	117,310
Equipment rental	49,453	73,027
Supplies and other	124,381	141,792
	297,881	332,129

	2012	2011
Professional Care of Patients, Continued		
Emergency room		
Salaries	$ 126,822	$ 97,960
Professional fees	195,779	92,366
Supplies	11,667	9,174
	334,268	199,500
Diabetes - salaries	1,033	1,041
Ultrasound - professional fees	53,328	48,451
Nuclear medicine - professional fees	10,134	8,181
MRI - professional fees	134,656	126,248
Echocardiography - professional fees	32,023	26,480
Mammography - professional fees	54,800	55,426
Blood bank - supplies	45,982	24,715
Cardiac rehab		
Salaries	7,162	5,596
Supplies and other	733	-
	7,895	5,596
Health information		
Salaries	199,456	174,965
Dues and subscriptions	6,600	7,675
Repairs and maintenance	3,736	4,944
Supplies and other	6,701	7,445
	216,493	195,029
Foot care - salaries and other	2,909	3,774
Total professional care of patients	5,582,213	5,237,065

First Care Health Center
Schedules of Expenses
Years Ended December 31, 2012 and 2011

	2012	2011
General and Administrative		
Administrative		
Salaries	$ 446,696	$ 440,695
Legal fees	32,490	33,625
Telephone	79,841	54,003
Insurance	48,744	48,982
Supplies	40,192	29,740
Collection fees	24,092	20,925
Rental	31,401	28,520
Postage	9,603	14,645
Professional services	77,122	74,318
Dues and subscriptions	34,846	31,420
Advertising	25,570	22,193
Travel and workshop	14,477	15,264
Repairs and maintenance	102,489	66,641
Other	24,317	35,636
	991,880	916,607
Employee benefits		
FICA	239,535	224,554
Pension	116,159	119,551
Health insurance	254,647	269,910
	610,341	614,015
Total general and administrative	1,602,221	1,530,622
Property and Household		
Plant operations		
Salaries	159,250	153,736
Utilities	203,006	193,846
Repairs and maintenance	47,146	45,670
Professional fees	3,742	2,965
Supplies and other	19,428	19,508
	432,572	415,725
Housekeeping		
Salaries	84,090	76,854
Supplies and other	10,466	10,454
	94,556	87,308
Laundry and linen		
Purchased services	21,885	23,114
Supplies and linen	3,285	1,564
	25,170	24,678
Total property and household	552,298	527,711

First Care Health Center
Schedules of Expenses
Years Ended December 31, 2012 and 2011

	2012	2011
Dietary		
Salaries	$ 92,176	$ 81,812
Food	26,655	27,249
Supplies	5,369	5,715
Other	1,610	4,274
Total dietary	125,810	119,050
Depreciation and Amortization	812,105	957,204
Interest	294,962	303,869
Contributions	1,252	36,870
Total Expenses	$ 8,970,861	$ 8,712,391

	2012	2011
Operational		
Unrestricted Revenues, Gains and Other Support		
Patient service revenue		
Routine services	$ 1,304,146	$ 1,419,120
Ancillary services	9,322,867	8,765,278
Charity care (charges foregone)	(78,000)	(72,000)
Contractual adjustments	(1,809,953)	(1,813,535)
Net patient service revenue	8,739,060	8,298,863
Provision for bad debts	(290,662)	(370,513)
Net patient service revenue less provision for bad debts	8,448,398	7,928,350
Other revenue	420,898	295,202
Total revenues, gains and other support	8,869,296	8,223,552
Expenses		
Salaries and benefits	3,870,957	3,686,805
Cost of drugs, food, supplies and other	3,992,837	3,764,513
Depreciation and amortization	812,105	957,204
Interest	294,962	303,869
Total expenses	8,970,861	8,712,391
Operating Loss	$ (101,565)	$ (488,839)
Statistical (Unaudited)		
Number of Beds	14	14
Available Bed Days	5,124	5,110
Patient Days		
Acute	648	781
Swing-bed	1,199	1,280
Percent of Occupancy, Including Swing-Bed	36.0%	40.3%
Acute Discharges	189	207
Acute Average Length of Stay (Days)	3.4	3.8
Financial (Unaudited)		
Current Ratio	4.3	4.1
Number of Days Revenue in Patient Receivables (Net)	48.8	45.1
Contractual Adjustments as A Percent of Total Revenue	17.2%	17.9%
Salaries and Benefits as A Percent of Total Expenses	43.2%	42.3%

2010	2009	2008
$ 1,308,155	$ 1,482,160	$ 1,344,911
8,343,648	7,995,907	7,119,812
(67,091)	(48,011)	(48,066)
(1,589,279)	(1,914,217)	(1,446,864)
7,995,433	7,515,839	6,969,793
(118,510)	(118,737)	(126,160)
7,876,923	7,397,102	6,843,633
211,951	194,986	130,770
8,088,874	7,592,088	6,974,403
3,416,450	3,204,746	3,206,835
3,512,567	3,305,203	3,115,729
1,029,976	1,001,400	858,429
301,544	325,989	340,252
8,260,537	7,837,338	7,521,245
$ (171,663)	$ (245,250)	$ (546,842)
14	14	14
5,110	5,110	5,124
819	1,038	1,008
1,080	1,051	1,222
37.2%	40.9%	43.5%
230	264	268
3.6	3.9	3.8
3.7	3.2	3.6
54.3	55.6	58.8
16.6%	20.3%	17.2%
41.4%	40.9%	42.6%