

Return of Organization Exempt From Income Tax

2007

Department of the Treasury Internal Revenue Service(77)

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

Open to Public Inspection

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

A For the 2007 calendar year, or tax year beginning 10/01, 2007, and ending 9/30, 2008

- B Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending

C HOULTON REGIONAL HOSPITAL 20 HARTFORD ST HOULTON, ME 04730

D Employer Identification Number 23-7134386 E Telephone number (207) 532-2900 F Accounting method: Cash, Accrual, Other

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H and I are not applicable to section 527 organizations. H (a) Is this a group return for affiliates? H (b) If 'Yes,' enter number of affiliates H (c) Are all affiliates included? H (d) Is this a separate return filed by an organization covered by a group ruling?

G Web site: houlton.net

J Organization type (check only one) 501(c) 3

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000.

I Group Exemption Number M Check if the organization is not required to attach Schedule B

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 63,519,850.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

FOR PUBLIC INSPECTION

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, Amount. Includes lines 1-21 for revenue, expenses, and net assets.

**Part I Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See *instruct.*)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22a</b> Grants paid from donor advised funds (attach sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22a</b>			
<b>22b</b> Other grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22b</b>			
<b>23</b> Specific assistance to individuals (attach schedule)	<b>23</b>			
<b>24</b> Benefits paid to or for members (attach schedule)	<b>24</b>			
<b>25a</b> Compensation of current officers, directors, key employees, etc. listed in Part V-A	<b>25a</b> 1,260,344.	336,294.	924,050.	0.
<b>b</b> Compensation of former officers, directors, key employees, etc. listed in Part V-B	<b>25b</b> 296,544.	296,544.	0.	0.
<b>c</b> Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	<b>25c</b> 0.	0.	0.	0.
<b>26</b> Salaries and wages of employees not included on lines 25a, b, and c	<b>26</b> 16,469,690.	12,966,594.	3,503,096.	
<b>27</b> Pension plan contributions not included on lines 25a, b, and c	<b>27</b> 182,762.		182,762.	
<b>28</b> Employee benefits not included on lines 25a - 27	<b>28</b> 4,043,073.		4,043,073.	
<b>29</b> Payroll taxes	<b>29</b> 1,274,944.		1,274,944.	
<b>30</b> Professional fundraising fees	<b>30</b>			
<b>31</b> Accounting fees	<b>31</b> 38,589.		38,589.	
<b>32</b> Legal fees	<b>32</b> 105,456.		105,456.	
<b>33</b> Supplies	<b>33</b> 5,003,705.	4,286,654.	717,051.	
<b>34</b> Telephone	<b>34</b> 140,148.	10,567.	129,581.	
<b>35</b> Postage and shipping	<b>35</b> 58,871.		58,871.	
<b>36</b> Occupancy	<b>36</b> 364,232.	364,232.		
<b>37</b> Equipment rental and maintenance	<b>37</b> 370,425.	333,257.	37,168.	
<b>38</b> Printing and publications	<b>38</b>			
<b>39</b> Travel	<b>39</b> 123,424.	67,975.	55,449.	
<b>40</b> Conferences, conventions, and meetings	<b>40</b>			
<b>41</b> Interest	<b>41</b> 551,707.	416,539.	135,168.	
<b>42</b> Depreciation, depletion, etc (attach schedule)	<b>42</b> 1,146,538.	865,636.	280,902.	
<b>43</b> Other expenses not covered above (itemize): <b>a</b> See Statement 3	<b>43a</b> 28,588,080.	23,778,753.	4,809,327.	
<b>b</b> -----	<b>43b</b>			
<b>c</b> -----	<b>43c</b>			
<b>d</b> -----	<b>43d</b>			
<b>e</b> -----	<b>43e</b>			
<b>f</b> -----	<b>43f</b>			
<b>g</b> -----	<b>43g</b>			
<b>44</b> Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B), (C), (D), carry these totals to lines 13 - 15)	<b>44</b> 60,018,532.	43,723,045.	16,295,487.	0.

**Joint Costs.** Check  if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_.

**Part III** Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ HEALTH SERVICES

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)

<p>a See Statement 4</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	<p>43,723,045.</p>
<p>b</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	
<p>c</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	
<p>d</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	
<p>e Other program services.....</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services)..... ▶</p>	<p>43,723,045.</p>

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**Part IV Balance Sheets** (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
ASSETS	45 Cash — non-interest-bearing	927,038.	45	145,616.	
	46 Savings and temporary cash investments	1,247,538.	46	166,714.	
	47a Accounts receivable	47a 11,366,831.			
	b Less: allowance for doubtful accounts	47b 1,300,000.	9,084,748.	47c 10,066,831.	
	48a Pledges receivable	48a 41,200.			
	b Less: allowance for doubtful accounts	48b 41,200.		48c	
	49 Grants receivable			49	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b	
	51a Other notes and loans receivable (attach schedule)	51a		51c	
b Less: allowance for doubtful accounts	51b				
52 Inventories for sale or use		674,187.	52	707,699.	
53 Prepaid expenses and deferred charges		867,875.	53	1,163,016.	
54a Investments — publicly-traded securities. Stmt. 5	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	3,489,271.	54a	2,881,378.	
b Investments — other securities (attach sch)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b		
55a Investments — land, buildings, & equipment: basis	55a				
b Less: accumulated depreciation (attach schedule)	55b		55c		
56 Investments — other (attach schedule)	See Stmt. 6	329,686.	56	471,808.	
57a Land, buildings, and equipment: basis	57a 35,438,110.				
b Less: accumulated depreciation (attach schedule) Statement 7	57b 24,508,534.	10,634,488.	57c	10,929,576.	
58 Other assets, including program-related investments (describe ▶ See Statement 8)		1,420,034.	58	5,278,402.	
59 Total assets (must equal line 74). Add lines 45 through 58		28,674,865.	59	31,811,040.	
LIABILITIES	60 Accounts payable and accrued expenses	4,066,838.	60	5,193,450.	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63		
	64a Tax-exempt bond liabilities (attach schedule) See Statement 9		10,204,747.	64a	9,725,171.
	b Mortgages and other notes payable (attach schedule) See Statement 10		377,782.	64b	344,060.
	65 Other liabilities (describe ▶ See Statement 11)		3,567,557.	65	3,451,604.
66 Total liabilities. Add lines 60 through 65		18,216,924.	66	18,714,285.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted		10,313,357.	67	12,768,791.
	68 Temporarily restricted		92,920.	68	276,300.
	69 Permanently restricted		51,664.	69	51,664.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds			70	
	71 Paid-in or capital surplus, or land, building, and equipment fund			71	
	72 Retained earnings, endowment, accumulated income, or other funds			72	
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)		10,457,941.	73	13,096,755.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73		28,674,865.	74	31,811,040.

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**Part IVA** Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See the instructions.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements	<b>a</b>	43,436,263.
<b>b</b>	Amounts included on line a but not on Part I, line 12:		
	1 Net unrealized gains on investments	<b>b1</b>	-493,610.
	2 Donated services and use of facilities	<b>b2</b>	
	3 Recoveries of prior year grants	<b>b3</b>	
	4 Other (specify): See Stmt 12	<b>b4</b>	-19,209,359.
	Add lines b1 through b4	<b>b</b>	-19,702,969.
<b>c</b>	Subtract line b from line a	<b>c</b>	63,139,232.
<b>d</b>	Amounts included on Part I, line 12, but not on line a:		
	1 Investment expenses not included on Part I, line 6b	<b>d1</b>	
	2 Other (specify):	<b>d2</b>	
	Add lines d1 and d2	<b>d</b>	
<b>e</b>	Total revenue (Part I, line 12). Add lines c and d	<b>e</b>	63,139,232.

**Part IVB** Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

<b>a</b>	Total expenses and losses per audited financial statements	<b>a</b>	41,472,095.
<b>b</b>	Amounts included on line a but not on Part I, line 17:		
	1 Donated services and use of facilities	<b>b1</b>	
	2 Prior year adjustments reported on Part I, line 20	<b>b2</b>	
	3 Losses reported on Part I, line 20	<b>b3</b>	
	4 Other (specify): See Stmt 13	<b>b4</b>	1,177,085.
	Add lines b1 through b4	<b>b</b>	1,177,085.
<b>c</b>	Subtract line b from line a	<b>c</b>	40,295,010.
<b>d</b>	Amounts included on Part I, line 17, but not on line a:		
	1 Investment expenses not included on Part I, line 6b	<b>d1</b>	
	2 Other (specify): See Stmt 14	<b>d2</b>	19,723,522.
	Add lines d1 and d2	<b>d</b>	19,723,522.
<b>e</b>	Total expenses (Part I, line 17). Add lines c and d	<b>e</b>	60,018,532.

**Part VA** Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
See Statement 15		1,238,100.	22,244.	0.

**Part V-A** Current Officers, Directors, Trustees, and Key Employees (continued)

	Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings. ▶ 14		
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If 'Yes,' attach a statement that identifies the individuals and explains the relationship(s)..... See Statement 16	X	
c Do any officers, directors, trustees, or key employees listed in form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of 'related organization'.....		X
If 'Yes,' attach a statement that includes the information described in the instructions.		
d Does the organization have a written conflict of interest policy?.....	X	

**Part V-B** Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
MARTHA STEWART, DO 20 HARTFORD ST HOULTON, ME 04730	0.	107,794.	2,156.	0.
HASSAN E. ABOULEISH, MD 22 HARTFORD ST HOULTON, ME 04730	0.	186,594.	0.	0.

**Part VI** Other Information (See the instructions.)

	Yes	No
76 Did the organization make a change in its activities or methods of conducting activities? If 'Yes,' attach a detailed statement of each change.....		X
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.....		X
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?.....	X	
b If 'Yes,' has it filed a tax return on Form 990-T for this year?.....	X	
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement.....		X
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc. to any other exempt or nonexempt organization?.....	X	
b If 'Yes,' enter the name of the organization ▶ See Statement 17		
81a Enter direct and indirect political expenditures. (See line 81 instructions.) and check whether it is <input type="checkbox"/> exempt or <input checked="" type="checkbox"/> nonexempt.		
b Did the organization file Form 1120-POL for this year?.....		N/A

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**Part VI Other Information (continued)**

		Yes	No
<b>82 a</b>	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
	<b>b</b> If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	82b		
<b>83 a</b>	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
	<b>b</b> Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
<b>84 a</b>	Did the organization solicit any contributions or gifts that were not tax deductible?		X
	<b>b</b> If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	84b	N/A	
<b>85 a</b>	<b>501(c)(4), (5), or (6).</b> Were substantially all dues nondeductible by members?		N/A
	<b>b</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A
	If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
	<b>c</b> Dues, assessments, and similar amounts from members		N/A
	<b>d</b> Section 162(e) lobbying and political expenditures		N/A
	<b>e</b> Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		N/A
	<b>f</b> Taxable amount of lobbying and political expenditures (line 85d less 85e)		N/A
	<b>g</b> Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
	<b>h</b> If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A
<b>86</b>	<b>501(c)(7) organizations.</b> Enter: <b>a</b> Initiation fees and capital contributions included on line 12		N/A
	<b>b</b> Gross receipts, included on line 12, for public use of club facilities		N/A
<b>87</b>	<b>501(c)(12) organizations.</b> Enter: <b>a</b> Gross income from members or shareholders		N/A
	<b>b</b> Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		N/A
<b>88 a</b>	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	X	
	<b>b</b> At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Part XI		X
<b>89 a</b>	<b>501(c)(3) organizations.</b> Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
	<b>b</b> <b>501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction		X
	<b>c</b> Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
	<b>d</b> Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
	<b>e</b> <b>All organizations.</b> At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
	<b>f</b> <b>All organizations.</b> Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
	<b>g</b> For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
<b>90 a</b>	List the states with which a copy of this return is filed <u>None</u>		
	<b>b</b> Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)		407
<b>91 a</b>	The books are in care of <u>CINDY L. DAIGLE, CFO</u> Telephone number <u>(207) 532-2900</u> Located at <u>20 HARTFORD ST HOULTON ME</u> ZIP + 4 <u>04730</u>		
	<b>b</b> At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		

**Part VI Other Information (continued)**

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91 c

Yes	No
	X

If 'Yes,' enter the name of the foreign country ▶

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here N/A

and enter the amount of tax-exempt interest received or accrued during the tax year 92  N/A

**Part VII Analysis of Income-Producing Activities (See the instructions.)**

Note: Enter gross amounts unless otherwise indicated.

93 Program service revenue:

a PATIENT FEES

b

c

d

e

f Medicare/Medicaid payments

g Fees & contracts from government agencies

94 Membership dues and assessments

95 Interest on savings & temporary cash invmnts

96 Dividends & interest from securities

97 Net rental income or (loss) from real estate:

a debt-financed property

b not debt-financed property

98 Net rental income or (loss) from pers prop

99 Other investment income

100 Gain or (loss) from sales of assets other than inventory

101 Net income or (loss) from special events

102 Gross profit or (loss) from sales of inventory

103 Other revenue: a

b See Statement 18

c

d

e

104 Subtotal (add columns (B), (D), and (E))

105 Total (add line 104, columns (B), (D), and (E))

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 a PATIENT FEES					38,952,025.
b					
c					
d					
e					
f Medicare/Medicaid payments					23,448,025.
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	18,807.	
96 Dividends & interest from securities			14	114,510.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	-51,108.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b See Statement 18		18,180.		149,460.	242,427.
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		18,180.		231,669.	62,642,477.
105 Total (add line 104, columns (B), (D), and (E))					62,892,326.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)**

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93	PROVISION OF INPATIENT AND OUTPATIENT HEALTH CARE SERVICES
103	PROVISION OF MEDICAL AND CHARITABLE SERVICES

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)**

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
See Statement 19	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)**

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

**Part XI** Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- -----			
b	----- -----			
c	----- -----			
Totals				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- -----			
b	----- -----			
c	----- -----			
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

**Please Sign Here**

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.

Signature of officer: Thomas Moakler Date: 5/5/09

Type or print name and title: THOMAS MOAKLER, CEO

**Paid Preparer's Use Only**

Preparer's signature: Barbara McGuan Date: 5/5/09

Check if self-employed:  Preparer's SSN or PTIN (See General Instruction X): N/A

Firm's name (or yours if self-employed), address, and ZIP + 4: BERRY, DUNN, McNEIL & PARKER - 180 MIDDLE ST. P.O. BOX 1100, PORTLAND ME 04104-1100 EIN-01-0523282

EIN: N/A

Phone no.: (207) 775-2387

BAA

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Organization Exempt Under  
Section 501(c)(3)**

OMB No. 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or 4947(a)(1) Nonexempt Charitable Trust

**2007**

Supplementary Information — (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Department of the Treasury  
Internal Revenue Service

Name of the organization <b>HOULTON REGIONAL HOSPITAL</b>	Employer identification number <b>23-7134386</b>
--	---

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
<b>RAHILA BILAL</b> 20 HARTFORD ST HOULTON, ME 04730	ANESTHETIST 40	267,535.	4,837.	0.
<b>BRIAN GRIFFIN</b> 20 HARTFORD ST HOULTON, ME 04730	ER PHYSICIAN 40	230,093.	4,463.	0.
<b>DONALD G. METZGER</b> 20 HARTFORD ST HOULTON, ME 04730	SURGEON 40	202,332.	4,046.	0.
<b>CHRISTIAN ANDERSEN</b> 20 HARTFORD ST HOULTON, ME 04730	ER PHYSICIAN 40	199,423.	3,902.	0.
<b>MARTIN HRYNICK</b> 20 HARTFORD ST HOULTON, ME 04730	ER PHYSICIAN 40	151,251.	2,535.	0.
Total number of other employees paid over \$50,000	▶ 104			

**Part II A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<b>HOULTON INTERNAL MEDICINE</b> 22 HARTFORD ST HOULTON, ME 04730	INTERNAL MEDICINE	1,220,257.
<b>JAMES CURTIS MADIX, MD</b> 20 HARTFORD ST HOULTON, ME 04730	RADIOLOGIST	538,459.
<b>VISTA STAFFING SOLUTIONS</b> 275 EAST 200 SOUTH SALT LAKE CITY, UT 84111-2002	LOCUM PHYSICIANS	327,893.
<b>LOCUMTENENS.COM</b> PO BOX 405547 ATLANTA, GA 30384-5547	LOCUM SURGEONS	310,397.
<b>HASSAN E. ABOULEISH, INC.</b> 20 HARTFORD ST HOULTON, ME 04730	ER COVERAGE	186,594.
Total number of others receiving over \$50,000 for professional services	▶ 16	

**Part II B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<b>GENERAL ELECTRIC COMPANY</b> N 25 W 23255 PAUL RD MILWAUKEE, WI 53072	EQUIP MAINTENANCE	187,139.
<b>NICAIT CONSTRUCTION</b> PO BOX 4061 PRESQUE ISLE, ME 04769	BUILDING CONTRACTOR	176,461.
<b>HOWLAND CONSTRUCTION</b> 103 MILITARY ST HOULTON, ME 04730	BUILDING CONTRACTOR	159,144.
<b>QUEST DIAGNOSTICS</b> 415 MASSACHUSETTS AVE CAMBRIDGE, MA 02139	LAB DIAGNOSTIC TESTS	154,035.
<b>JAMES MCPARTLAND &amp; SONS</b> PO BOX 665 HOULTON, ME 04730	PLUMBING CONTRACTOR	116,984.
Total number of other contractors receiving over \$50,000 for other services	▶ 6	

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2007

**Part III** Statements About Activities (See instructions.)

	Yes	No
<b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities. . . . ▶ \$ <u>8,933.</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	1	X
See Statement 20		
<b>a</b> Sale, exchange, or leasing of property? . . . . .	2a	X
<b>b</b> Lending of money or other extension of credit? . . . . .	2b	X
<b>c</b> Furnishing of goods, services, or facilities? . . . . .	2c	X
See Form 990, Part V		
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	2d	X
<b>e</b> Transfer of any part of its income or assets? . . . . .	2e	X
<b>3a</b> Did the organization make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how the organization determines that recipients qualify to receive payments.) . . . . .	3a	X
<b>b</b> Did the organization have a section 403(b) annuity plan for its employees? . . . . .	3b	X
<b>c</b> Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' attach a detailed statement . . . . .	3c	X
<b>d</b> Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services? . . . . .	3d	X
<b>4a</b> Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g . . . . .	4a	X
<b>b</b> Did the organization make any taxable distributions under section 4966? . . . . .	4b	N/A
<b>c</b> Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .	4c	N/A
<b>d</b> Enter the total number of donor advised funds owned at the end of the tax year . . . . . ▶		N/A
<b>e</b> Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year . . . . . ▶		N/A
<b>f</b> Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts . . . . . ▶		0
<b>g</b> Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year . . . . . ▶		0.

**Part IV Reason for Non-Private Foundation Status** (See instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8  A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ -----
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b  A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12  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 charitable, etc, 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization: ▶  
 Type I     Type II     Type III-Functionally Integrated     Type III-Other

Provide the following information about the supported organizations.(See instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b> .....					<b>0.</b>

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

BAA

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Table with 6 columns: Calendar year (or fiscal year beginning in), (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends, arnts rec'd from payments on securities loans; 19 Net income from unrelated business activities not included in line 18; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23.

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 N/A; b Prepare a list for your records to show the name of and amount contributed by each person; c Total support for section 509(a)(1) test; d Add: Amounts from column (e) for lines: 18, 19, 22, 26b; e Public support (line 26c minus line 26d total); f Public support percentage (line 26e (numerator) divided by line 26c (denominator)).

27 Organizations described on line 12: N/A; a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.'; b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000.; c Add: Amounts from column (e) for lines: 15, 16, 17, 20, 21; d Add: Line 27a total and line 27b total; e Public support (line 27c total minus line 27d total); f Total support for section 509(a)(2) test: Enter amount from line 23, column (e); g Public support percentage (line 27e (numerator) divided by line 27f (denominator)); h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)).

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15. N/A

**Part V Private School Questionnaire** (See instructions.)  
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? .....		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? .....		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? .....		
	If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.)		
	-----		
	-----		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff? .....		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....		
d	Copies of all material used by the organization or on its behalf to solicit contributions? .....		
	If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.)		
	-----		
	-----		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges? .....		
b	Admissions policies? .....		
c	Employment of faculty or administrative staff? .....		
d	Scholarships or other financial assistance? .....		
e	Educational policies? .....		
f	Use of facilities? .....		
g	Athletic programs? .....		
h	Other extracurricular activities? .....		
	If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.)		
	-----		
	-----		
34a	Does the organization receive any financial aid or assistance from a governmental agency? .....		
b	Has the organization's right to such aid ever been revoked or suspended? .....		
	If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
	-----		
	-----		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation. ....		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See instructions.)  
(To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check  **a** if the organization belongs to an affiliated group. Check  **b** if you checked 'a' and 'limited control' provisions apply.

**Limits on Lobbying Expenditures**

(The term 'expenditures' means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	<b>36</b>		
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying) .....	<b>37</b>		
<b>38</b> Total lobbying expenditures (add lines 36 and 37) .....	<b>38</b>		
<b>39</b> Other exempt purpose expenditures .....	<b>39</b>		
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39) .....	<b>40</b>		
<b>41</b> Lobbying nontaxable amount. Enter the amount from the following table –			
<b>If the amount on line 40 is –</b>	<b>The lobbying nontaxable amount is –</b>		
Not over \$500,000 .....	20% of the amount on line 40 .....		
Over \$500,000 but not over \$1,000,000 .....	\$100,000 plus 15% of the excess over \$500,000 .....		
Over \$1,000,000 but not over \$1,500,000 .....	\$175,000 plus 10% of the excess over \$1,000,000 .....		
Over \$1,500,000 but not over \$17,000,000 .....	\$225,000 plus 5% of the excess over \$1,500,000 .....		
Over \$17,000,000 .....	\$1,000,000 .....		
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41) .....	<b>42</b>		
<b>43</b> Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 .....	<b>43</b>		
<b>44</b> Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 .....	<b>44</b>		
<b>Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.</b>			

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
See the instructions for lines 45 through 50.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount .....					
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) .....					
<b>47</b> Total lobbying expenditures .....					
<b>48</b> Grassroots non-taxable amount .....					
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) .....					
<b>50</b> Grassroots lobbying expenditures .....					

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
<b>a</b> Volunteers .....		X	
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines <b>c</b> through <b>h</b> ) .....		X	
<b>c</b> Media advertisements .....		X	
<b>d</b> Mailings to members, legislators, or the public .....		X	
<b>e</b> Publications, or published or broadcast statements .....		X	
<b>f</b> Grants to other organizations for lobbying purposes .....		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body .....	X		8,933.
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means .....		X	
<b>i</b> Total lobbying expenditures (add lines <b>c</b> through <b>h</b> ) .....			8,933.

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities. See Statement 21



**Schedule B**  
**(Form 990, 990-EZ,**  
**or 990-PF)**

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

**Supplementary Information for**  
**line 1 of Form 990, 990-EZ and 990-PF (see instructions)**

OMB No. 1545-0047

**2007**

Name of organization

**HOULTON REGIONAL HOSPITAL**

Employer identification number

**23-7134386**

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule — see instructions.)

**General Rule —**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules —**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc. purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc. purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc. contributions of \$5,000 or more during the year.) ..... ▶ \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, Form 990-EZ, and Form 990-PF.**

Schedule B (Form 990, 990-EZ, or 990-PF) (2007)

Name of organization

HOULTON REGIONAL HOSPITAL

Employer identification number

23-7134386

**Part I** Contributors (See Specific Instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	----- ----- -----	\$ 9,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	----- ----- -----	\$ 14,585.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

HOULTON REGIONAL HOSPITAL

Employer identification number

23-7134386

**Part III** Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A		
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

HOULTON REGIONAL HOSPITAL

Employer identification number

23-7134386

**Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year.** (Complete cols (a) through (e) and the following line entry.)

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once – see instructions.) ..... \$ N/A

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

Client HRH

HOULTON REGIONAL HOSPITAL

23-7134386

5/04/09

03:09PM

**Statement 1**  
**Form 990, Part I, Line 8**  
**Net Gain (Loss) from Noninventory Sales**

Publicly Traded Securities

Gross Sales Price: 281,933.  
 Cost or Other Basis: 362,362.

Total Gain (Loss) Publicly Traded Securities \$ -80,429.

Other Assets

Description: BUILDING & LAND  
 Date Acquired: Various  
 How Acquired: Purchase  
 Date Sold: 10/01/2007  
 To Whom Sold: KATAHDIN VALLEY HEALTH CENTER  
 Gross Sales Price: 47,577.  
 Cost or Other Basis: 18,256.  
 Basis Method: Cost

Gain (Loss) 29,321.

Total Gain (Loss) Other Assets \$ 29,321.

Total Net Gain (Loss) From Noninventory Sales \$ -51,108.

**Statement 2**  
**Form 990, Part I, Line 20**  
**Other Changes in Net Assets or Fund Balances**

BOOK/TAX LOSS ON JOINT VENTURE..... \$ 11,724.  
 UNREALIZED LOSSES..... -493,610.  
 Total \$ -481,886.

**Statement 3**  
**Form 990, Part II, Line 43**  
**Other Expenses**

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
CHARITY CARE	991,321.	991,321.		
COLLECTION FEES	78,276.	6,681.	71,595.	
CONTRACT LABOR	840,788.	793,788.	47,000.	
CONTRACTUAL ALLOWANCES	18,720,477.	18,720,477.		
DUES & SUBSCRIPTIONS	193,885.	46,939.	146,946.	
INSURANCE	382,853.		382,853.	
LOSS ON BOND DEFEASANCE	12,396.		12,396.	
LOSS ON JOINT VENTURE	36,865.	36,865.		
MAINTENANCE/SERVICE CONTRACTS	685,624.		685,624.	
MEDICAID TAX - STATE OF MAINE	770,639.		770,639.	
MISCELLANEOUS	90,191.	782.	89,409.	
PROFESSIONAL SERVICES	3,279,799.	3,147,660.	132,139.	

Client HRH

HOULTON REGIONAL HOSPITAL

23-7134386

5/04/09

03:09PM

Statement 3 (continued)  
Form 990, Part II, Line 43  
Other Expenses

	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management &amp; General</u>	(D) <u>Fundraising</u>
PROVISION FOR BAD DEBTS	1,587,490.		1,587,490.	
RECRUITMENT/ADVERTISING	134,448.	34,240.	100,208.	
UTILITIES	783,028.		783,028.	
<b>Total</b>	<b>\$28,588,080.</b>	<b>\$23,778,753.</b>	<b>\$ 4,809,327.</b>	<b>\$ 0.</b>

Statement 4  
Form 990, Part III, Line a  
Statement of Program Service Accomplishments

<u>Description</u>	<u>Grants and Allocations</u>	<u>Program Service Expenses</u>
PROVISION OF HEALTH CARE SERVICES IN RURAL MAINE. DURING THE FISCAL YEAR ENDED 9/30/08, 1,898 PEOPLE HAD AN INPATIENT STAY (INCLUDING THE PROGRESSIVE CARE FACILITY); 85,877 OUTPATIENT SERVICES WERE RENDERED; 14,199 PEOPLE WERE SERVED IN THE EMERGENCY ROOM. OF THESE SERVICES, 1,455 ACCOUNTS (REPRESENTING 375 PEOPLE AND \$991,321) WERE WRITTEN OFF AS CHARITY CARE. HOULTON REGIONAL HOSPITAL (HRH) ALSO ASSISTS ELDERLY CITIZENS WITH THEIR WISH TO REMAIN INDEPENDENT AS LONG AS POSSIBLE. TO ACCOMPLISH THIS GOAL, HRH ASSISTS WITH THE RENTAL OF LIFELINE EMERGENCY RESPONSE UNITS. DURING FISCAL YEAR 9/30/08, 95 LIFELINE UNITS WERE RENTED.		43,723,045.
Includes Foreign Grants: No		
	<u>\$ 0.</u>	<u>\$ 43723045.</u>

Statement 5  
Form 990, Part IV, Line 54a  
Investments - Publicly Traded Securities

<u>Corporate Bonds</u>	<u>Valuation Method</u>	<u>Amount</u>
Depreciation Fund	Market Value	\$ 211,942.
	<b>Total</b>	<b>\$ 211,942.</b>
<u>Other Publicly Traded Securities</u>	<u>Valuation Method</u>	<u>Amount</u>
Depreciation Fund	Market Value	1,880,126.
Endowment Funds	Market Value	735,361.
	<b>Total</b>	<b>\$ 2,615,487.</b>

Client HRH

HOULTON REGIONAL HOSPITAL

23-7134386

5/04/09

03:09PM

**Statement 5 (continued)**  
**Form 990, Part IV, Line 54a**  
**Investments - Publicly Traded Securities**

<u>U.S. Government Obligations</u>	<u>Valuation Method</u>	<u>Amount</u>
Depreciation Fund	Market Value	\$ 53,949.
	Total	\$ 53,949.
Publicly Traded Securities		<u>\$ 2,881,378.</u>

**Statement 6**  
**Form 990, Part IV, Line 56**  
**Investments - Other**

<u>Description of Investment</u>	<u>Valuation Method</u>	<u>Book Value</u>
Depreciation Fund	Market Value	\$ 160,176.
Debt Service Fund	Cost	285,308.
Endowment Funds	Market Value	26,324.
	Total	<u>\$ 471,808.</u>

**Statement 7**  
**Form 990, Part IV, Line 57**  
**Land, Buildings, and Equipment**

<u>Category</u>	<u>Basis</u>	<u>Accum. Deprec.</u>	<u>Book Value</u>
Furniture and Fixtures	\$ 5,167,972.	\$ 4,316,862.	\$ 851,110.
Machinery and Equipment	10,129,225.	10,000,801.	128,424.
Buildings	19,988,024.	10,190,871.	9,797,153.
Land	152,889.		152,889.
	Total	<u>\$ 35,438,110.</u>	<u>\$ 24,508,534.</u>
			<u>\$ 10,929,576.</u>

**Statement 8**  
**Form 990, Part IV, Line 58**  
**Other Assets**

DEFERRED FINANCING COSTS.....	\$ 340,913.
DUE FROM THIRD PARTY PAYORS.....	4,951,883.
INVESTMENT IN JOINT VENTURE.....	-14,394.
	Total
	<u>\$ 5,278,402.</u>

Client HRH

HOULTON REGIONAL HOSPITAL

23-7134386

5/04/09

03:09PM

**Statement 9  
Form 990, Part IV, Line 64a  
Tax-Exempt Bond Liabilities**

		<u>Balance Due</u>
Purpose of Issue:	Refinance existing debt	
Issue Date:	7/01/2007	
Original Issue Amount:	2,345,000.	
Outstanding Issue Amount:		\$ 2,093,421.
Mortgage Information:		
Mortg. Maturity Date:	7/01/2026	
Interest Rate:	4.00	
Repayment Terms:	Annual pymt of prin & interest	
Security Provided:	Liens on property & equipment	
Purpose of Issue:	51% construction 49% refinance	
Issue Date:	7/01/2006	
Original Issue Amount:	1,460,000.	
Outstanding Issue Amount:		1,276,227.
Mortgage Information:		
Mortg. Maturity Date:	7/01/2025	
Interest Rate:	4.00	
Repayment Terms:	Annual pymt of prin & interest	
Security Provided:	Liens on property & equipment	
Purpose of Issue:	Refinance existing bond	
Issue Date:	10/16/2003	
Original Issue Amount:	4,530,000.	
Outstanding Issue Amount:		3,339,844.
Mortgage Information:		
Mortg. Maturity Date:	7/01/2022	
Interest Rate:	2.13	
Repayment Terms:	Annual pymt of prin & interest	
Security Provided:	Liens on property & equipment	
Purpose of Issue:	Construction	
Issue Date:	7/09/1998	
Original Issue Amount:	4,221,007.	
Outstanding Issue Amount:		3,015,679.
Mortgage Information:		
Mortg. Maturity Date:	7/01/2024	
Interest Rate:	4.45	
Repayment Terms:	Annual pymt of prin & interest	
Security Provided:	Liens on property & equipment	
Total \$		<u><u>9,725,171.</u></u>

**Statement 10  
Form 990, Part IV, Line 64b  
Mortgages and Other Notes Payable**

<u>Mortgages Payable</u>	<u>Balance Due</u>
TD Banknorth, NA	\$ 344,060.
Total \$ <u><u>344,060.</u></u>	

Client HRH

HOULTON REGIONAL HOSPITAL

23-7134386

5/04/09

03:09PM

**Statement 11**  
**Form 990, Part IV, Line 65**  
**Other Liabilities**

DUE TO THIRD PARTY PAYORS.....	\$ 2,439,177.
LINE OF CREDIT.....	1,012,427.
<b>Total</b>	<b>\$ <u>3,451,604.</u></b>

**Statement 12**  
**Form 990, Part IV-A, Line b(4)**  
**Other Amounts**

BROKER FEES OFFSETTING LINE 5 INCOME.....	\$ 10,541.
CHARITY CARE SHOWN AS EXPENSE ON 990.....	-991,321.
CONTRACTUALS SHOWN AS EXPENSE ON 990.....	-18,720,477.
SUBSIDIARY INCOME.....	491,898.
<b>Total</b>	<b>\$ <u>-19,209,359.</u></b>

**Statement 13**  
**Form 990, Part IV-B, Line b(4)**  
**Other Amounts**

BROKER FEES OFFSETTING LINE 5 INCOME.....	\$ 10,541.
SUBSIDIARY EXPENSES.....	1,166,544.
<b>Total</b>	<b>\$ <u>1,177,085.</u></b>

**Statement 14**  
**Form 990, Part IV-B, Line d(2)**  
**Other Amounts**

ADJ TO TAX LOSS ON JOINT VENTURE.....	\$ 11,724.
CHARITY CARE SHOWN AS EXPENSE ON 990.....	991,321.
CONTRACTUALS SHOWN AS EXPENSE ON 990.....	18,720,477.
<b>Total</b>	<b>\$ <u>19,723,522.</u></b>

**Statement 15**  
**Form 990, Part V-A**  
**List of Officers, Directors, Trustees, and Key Employees**

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
JERRY YORK 20 HARTFORD ST HOULTON, ME 04730	President 1.00	\$ 0.	\$ 0.	0.

Client HRH

HOULTON REGIONAL HOSPITAL

23-7134386

5/04/09

03:09PM

Statement 15 (continued)  
Form 990, Part V-A  
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP &amp; DC</u>	<u>Expense Account/ Other</u>
JOHN CLARK 20 HARTFORD ST HOULTON, ME 04730	Vice President 1.00	\$ 0.	\$ 0.	\$ 0.
LYNETTE MCLAUGHLIN 20 HARTFORD ST HOULTON, ME 04730	Treasurer 1.00	0.	0.	0.
REV. JESSIE DRYSDALE 20 HARTFORD ST HOULTON, ME 04730	Secretary 1.00	0.	0.	0.
PAUL CALLNAN 20 HARTFORD ST HOULTON, ME 04730	Director 1.00	0.	0.	0.
MARGUERITE LAWLER 20 HARTFORD ST HOULTON, ME 04730	Director 1.00	0.	0.	0.
MARY WALSH, DO 20 HARTFORD ST HOULTON, ME 04730	Med Staff Pres. 40.00	118,796.	2,203.	0.
ALISON BOSSIE 20 HARTFORD ST HOULTON, ME 04730	Director 1.00	0.	0.	0.
TED SUSSMAN, MD 20 HARTFORD ST HOULTON, ME 04730	Director 1.00	5,000.	0.	0.
MELINDA BABIN 20 HARTFORD ST HOULTON, ME 04730	Director 1.00	0.	0.	0.
MAX LYNDS 20 HARTFORD ST HOULTON, ME 04730	Director 1.00	0.	0.	0.
NANCY KETCH 20 HARTFORD ST HOULTON, ME 04730	Director 1.00	0.	0.	0.
SANDRA WOTTON 20 HARTFORD ST HOULTON, ME 04730	Director 1.00	0.	0.	0.

Client HRH

HOULTON REGIONAL HOSPITAL

23-7134386

5/04/09

03:09PM

**Statement 15 (continued)**  
**Form 990, Part V-A**  
**List of Officers, Directors, Trustees, and Key Employees**

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP &amp; DC</u>	<u>Expense Account/ Other</u>
THOMAS MOAKLER 20 HARTFORD ST HOULTON, ME 04730	CEO 40.00	\$ 204,252.	\$ 3,947.	\$ 0.
VICKI MOODY 20 HARTFORD ST HOULTON, ME 04730	Dir Human Res 40.00	95,882.	1,850.	0.
PAUL ROMANELLI, MD 20 HARTFORD ST HOULTON, ME 04730	Dir Med Staff 40.00	175,296.	3,413.	0.
BARBARA BOSSIE 20 HARTFORD ST HOULTON, ME 04730	Dir of OP Svcs 40.00	107,668.	2,078.	0.
DORIS KENNEDY 20 HARTFORD ST HOULTON, ME 04730	Dir Nursing Svc 40.00	103,112.	1,990.	0.
CINDY DAIGLE 20 HARTFORD ST HOULTON, ME 04730	CFO 40.00	124,178.	2,358.	0.
MICHAEL FOGARTY 20 HARTFORD ST HOULTON, ME 04730	RHC Director 40.00	98,026.	0.	0.
PHILIP H. MCFARLANE, MD 20 HARTFORD ST HOULTON, ME 04730	Director 40.00	205,890.	4,405.	0.
	Total	<u>\$ 1,238,100.</u>	<u>\$ 22,244.</u>	<u>\$ 0.</u>

**Statement 16**  
**Form 990, Part V-A, Line 75b**  
**Compensation Paid to Related Individuals**

Name and Relationship

TED L. SUSSMAN, MD  
 TED L. SUSSMAN IS AN INTERNAL MEDICINE PHYSICIAN AND PART OWNER OF HOULTON INTERNAL MEDICINE. HOULTON REGIONAL HOSPITAL CONTRACTS WITH HOULTON INTERNAL MEDICINE FOR HOSPITAL INPATIENT SERVICES; PHYSICIAN SERVICES IN ONE RURAL HEALTH CLINIC; AND EKG TEST INTERPRETATIONS.

Client HRH

HOULTON REGIONAL HOSPITAL

23-7134386

5/04/09

03:09PM

**Statement 17  
Form 990, Part VI, Line 80b  
Related Organizations**

<u>Name of Organization</u>	<u>Exempt</u>	<u>Nonexempt</u>
MEDICAL ARTS, INC.		X
NEW ENGLAND HEALTH IMAGING-HOULTON, LLC.		X

**Statement 18  
Form 990, Part VII, Line 103  
Other Revenue**

<u>Other Revenue</u>	<u>(A) Busi- ness Code</u>	<u>(B) Unrelated Business Amount</u>	<u>(C) Exclu- sion Code</u>	<u>(D) Excluded Amount</u>	<u>(E) Related or Exempt Function</u>
CAFETERIA SALES			3	\$ 126,425.	
CATERING	722320	\$ 18,180.			
MISCELLANEOUS					\$ 242,427.
PHARMACY			3	15,299.	
VENDING MACHINE			3	7,736.	
<b>Total</b>		<u>\$ 18,180.</u>		<u>\$ 149,460.</u>	<u>\$ 242,427.</u>

**Statement 19  
Form 990, Part IX  
Information Regarding Taxable Subsidiaries**

<u>Name, Address and EIN of Corporation, Partnership, or Disregarded Entity</u>	<u>% of Owner Int.</u>	<u>Nature of Activities</u>	<u>Total Income</u>	<u>End of Year Assets</u>
MEDICAL ARTS INC. 20 HARTFORD ST HOULTON, ME 04730 01-0456638	100.00%	MEDICAL PRACTICE	1,440,192.	127,140.
NEW ENGLAND HEALTH IMAGING-HOU 260 MAIN STREET, SUITE A PRESQUE ISLE, ME 04769 20-3710738	50.00%	MRI testing	1,613,280.	1,313,979.

**Statement 20  
Schedule A, Part III, Line 2  
Transactions with Trustees, Directors, Etc.**

SEE FORM 990 PART V.

5/04/09

03:09PM

**Statement 21**  
**Schedule A, Part VI-B, Line i**  
**Descriptions of the Lobbying Activities**

A PORTION OF ASSOCIATION DUES PAID USED TO ASSIST WITH LEGISLATION RELATED TO THE HEALTHCARE INDUSTRY.

