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

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning JUL 1, 2007 and ending JUN 30, 2008

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: FRANKLIN MEMORIAL HOSPITAL

Number and street (or P.O. box if mail is not delivered to street address): 111 FRANKLIN HEALTH COMMONS — Room/suite:

City or town, state or country, and ZIP + 4: FARMINGTON, ME 04938

D Employer identification number: 01-0211503

E Telephone number: 2077792500

F Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

• **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? ☐ Yes ☒ No

H(b) If "Yes," enter number of affiliates ▶ N/A

H(c) Are all affiliates included? N/A ☐ Yes ☐ No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶ N/A

G Website: ▶ WWW.FCHN.ORG

J Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

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. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

M Check ▶ ☐ if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 166,423,921.

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

FOR PUBLIC INSPECTION

Section	Line	Description	(A) Securities	Sub-line	(B) Other / Amount	Line	Amount
Revenue	1	Contributions, gifts, grants, and similar amounts received:					
	a	Contributions to donor advised funds		1a			
	b	Direct public support (not included on line 1a)		1b	230,997.		
	c	Indirect public support (not included on line 1a)		1c	58,247.		
	d	Government contributions (grants) (not included on line 1a)		1d	154,086.		
	e	**Total** (add lines 1a through 1d) (cash $ 443,330. noncash $)				1e	443,330.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)				2	148,651,803.
	3	Membership dues and assessments				3	
	4	Interest on savings and temporary cash investments				4	125.
	5	Dividends and interest from securities				5	321,544.
	6 a	Gross rents		6a			
	b	Less: rental expenses		6b			
	c	Net rental income or (loss). Subtract line 6b from line 6a				6c	
	7	Other investment income (describe ▶)				7	
	8 a	Gross amount from sales of assets other than inventory	15,182,130.	8a	17,262.		
	b	Less: cost or other basis and sales expenses	14,389,344.	8b	22,078.		
	c	Gain or (loss) (attach schedule)	792,786.	8c	-4,816.		
	d	Net gain or (loss). Combine line 8c, columns (A) and (B)	STMT 1		STMT 2	8d	787,970.
	9	Special events and activities (attach schedule). If any amount is from **gaming**, check here ▶ ☐					
	a	Gross revenue (not including $ of contributions reported on line 1b)		9a			
	b	Less: direct expenses other than fundraising expenses		9b			
	c	Net income or (loss) from special events. Subtract line 9b from line 9a				9c	
	10 a	Gross sales of inventory, less returns and allowances		10a			
	b	Less: cost of goods sold		10b			
	c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a				10c	
	11	Other revenue (from Part VII, line 103)				11	1,807,727.
	12	**Total revenue.** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11				12	152,012,499.
Expenses	13	Program services (from line 44, column (B))				13	134,962,195.
	14	Management and general (from line 44, column (C))				14	13,157,078.
	15	Fundraising (from line 44, column (D))				15	
	16	Payments to affiliates (attach schedule) SEE STATEMENT 3				16	212,181.
	17	**Total expenses.** Add lines 16 and 44, column (A)				17	148,331,454.
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12				18	3,681,045.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))				19	47,311,347.
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 4				20	-17,141,319.
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20				21	33,851,073.

Part II 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.

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
22a Grants paid from donor advised funds (attach schedule) (cash $ 0. noncash $ 0.) If this amount includes foreign grants, check here ▶ ☐	22a				
22b Other grants and allocations (attach schedule) (cash $ 0. noncash $ 0.) If this amount includes foreign grants, check here ▶ ☐	22b				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	494,764.	494,764.	0.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	843,240.	843,240.	0.	0.
c 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)	25c				
26 Salaries and wages of employees not included on lines 25a, b, and c	26	33,379,060.	29,858,598.	3,520,462.	
27 Pension plan contributions not included on lines 25a, b, and c	27	1,073,869.	964,628.	109,241.	
28 Employee benefits not included on lines 25a - 27	28	4,298,164.	3,860,926.	437,238.	
29 Payroll taxes	29	2,302,926.	2,068,657.	234,269.	
30 Professional fundraising fees	30				
31 Accounting fees	31	63,026.		63,026.	
32 Legal fees	32	283,511.		283,511.	
33 Supplies	33	8,741,879.	7,946,775.	795,104.	
34 Telephone	34	272,123.	5,827.	266,296.	
35 Postage and shipping	35	115,003.		115,003.	
36 Occupancy	36	1,774,874.	1,594,322.	180,552.	
37 Equipment rental and maintenance	37	989,288.	469,539.	519,749.	
38 Printing and publications	38	348,626.	121,732.	226,894.	
39 Travel	39	144,558.	129,476.	15,082.	
40 Conferences, conventions, and meetings	40	298,622.	149,494.	149,128.	
41 Interest	41	598,188.		598,188.	
42 Depreciation, depletion, etc. (attach schedule)	42	3,640,795.	3,270,429.	370,366.	
43 Other expenses not covered above (itemize):					
a CONTRACTUAL ALLOWANCES	43a	72,068,505.	72,068,505.	0.	
b PROVISION FOR BAD DEBT	43b	3,180,913.	3,180,913.		
c OTHER OPERATING	43c				
d EXPENSES	43d	13,207,339.	7,934,370.	5,272,969.	
e	43e				
f	43f				
g	43g				
44 **Total functional expenses.** Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	148,119,273.	134,962,195.	13,157,078.	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 $ N/A ; **(ii)** the amount allocated to Program services $ N/A ;
(iii) the amount allocated to Management and general $ N/A ; and **(iv)** the amount allocated to Fundraising $ N/A

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.

	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
What is the organization's primary exempt purpose? ▶ SEE STATEMENT 6	
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.)	
a SEE STATEMENT 5	
(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	134,962,195.
b	
(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
c	
(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d	
(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	134,962,195.

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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.*

	Line	Description			(A) Beginning of year		(B) End of year
Assets	45	Cash - non-interest-bearing			4,320,982.	45	3,262,438.
	46	Savings and temporary cash investments			12,418,833.	46	1,683,735.
	47 a	Accounts receivable	47a	21,646,698.			
	b	Less: allowance for doubtful accounts	47b	12,677,415.	8,650,030.	47c	8,969,283.
	48 a	Pledges receivable	48a	29,367.			
	b	Less: allowance for doubtful accounts	48b	29,367.	46,367.	48c	
	49	Grants receivable				49	
	50 a	Receivables from current and former officers, directors, trustees, and key employees				50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				50b	
	51 a	Other notes and loans receivable	51a				
	b	Less: allowance for doubtful accounts	51b			51c	
	52	Inventories for sale or use			1,104,066.	52	1,131,922.
	53	Prepaid expenses and deferred charges			737,576.	53	917,994.
	54 a	Investments - publicly-traded securities ▶ ☐ Cost ☐ FMV			12,580,522.	54a	
	b	Investments - other securities ▶ ☐ Cost ☐ FMV			1,251,940.	54b	
	55 a	Investments - land, buildings, and equipment: basis	55a				
	b	Less: accumulated depreciation	55b			55c	
	56	Investments - other SEE STATEMENT 7			328,348.	56	1,895,540.
	57 a	Land, buildings, and equipment: basis	57a	71,412,819.			
	b	Less: accumulated depreciation STMT 8	57b	32,551,849.	29,009,742.	57c	38,860,970.
	58	Other assets, including program-related investments (describe ▶ SEE STATEMENT 9)			7,992,326.	58	10,016,711.
	59	**Total assets** (must equal line 74). Add lines 45 through 58			78,440,732.	59	66,738,593.
Liabilities	60	Accounts payable and accrued expenses			5,961,214.	60	7,555,229.
	61	Grants payable				61	
	62	Deferred revenue				62	10,000.
	63	Loans from officers, directors, trustees, and key employees				63	
	64 a	Tax-exempt bond liabilities STMT 10			25,168,171.	64a	24,653,877.
	b	Mortgages and other notes payable STMT 11				64b	322,085.
	65	Other liabilities (describe ▶ SEE STATEMENT 12)			0.	65	346,329.
	66	**Total liabilities.** Add lines 60 through 65			31,129,385.	66	32,887,520.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶** [X] and complete lines 67 through 69 and lines 73 and 74.					
	67	Unrestricted			43,478,979.	67	31,808,034.
	68	Temporarily restricted			2,347,654.	68	585,402.
	69	Permanently restricted			1,484,714.	69	1,457,637.
		Organizations that do not follow SFAS 117, check here ▶ ☐ 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)			47,311,347.	73	33,851,073.
	74	**Total liabilities and net assets/fund balances.** Add lines 66 and 73			78,440,732.	74	66,738,593.

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Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	78095206.
b	Amounts included on line a but not on Part I, line 12:				
1	Net unrealized gains on investments	b1	-1845863.		
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify): SEE STATEMENT 13	b4	55,322.		
	Add lines b1 through b4			b	-1790541.
c	Subtract line b from line a			c	79885747.
d	Amounts included on Part I, line 12, but not on line a:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify): SEE STATEMENT 15	d2	72126752.		
	Add lines d1 and d2			d	72126752.
e	**Total revenue** (Part I, line 12). Add lines c and d ▶			e	152,012,499.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements			a	91555480.
b	Amounts included on line a but not on Part I, line 17:				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify): SEE STATEMENT 14	b4	15350778.		
	Add lines b1 through b4			b	15350778.
c	Subtract line b from line a			c	76204702.
d	Amounts included on Part I, line 17, but not on line a:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify): SEE STATEMENT 16	d2	72126752.		
	Add lines d1 and d2			d	72126752.
e	**Total expenses** (Part I, line 17). Add lines c and d ▶			e	148,331,454.

Part V-A 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 & deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 17		458,592.	36,172.	0.

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

			Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 18			
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)	75b		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." SEE STATEMENT 19	75c	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?	75d	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 & deferred compensation plans	(E) Expense account and other allowances
DR. THOMAS WEIGLE 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	0.	129,446.	18,823.	0.
DR. JOHN HICKEY 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	0.	230,226.	16,838.	0.
DR. CONSTANCE ADLER 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	0.	140,499.	19,376.	0.
DR. GREGORY MARSHALL 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	0.	269,267.	18,765.	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	76		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.	77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	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?	80a	X	
b	If "Yes," enter the name of the organization ▶ SEE STATEMENT 18 and check whether it is ☐ exempt or ☐ nonexempt			
81 a	Enter direct and indirect political expenditures. (See line 81 instructions.) 81a 0.			
b	Did the organization file **Form 1120-POL** for this year?	81b		X

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Part VI Other Information *(continued)*

			Yes	No
82 a	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?	82a	X	
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			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to *quid pro quo* contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85 a	*501(c)(4), (5), or (6).* Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	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.			
c	Dues, assessments, and similar amounts from members 85c N/A			
d	Section 162(e) lobbying and political expenditures 85d N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	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	85h		
86	*501(c)(7) organizations.* Enter: **a** Initiation fees and capital contributions included on line 12 86a N/A			
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A			
87	*501(c)(12) organizations.* Enter: **a** Gross income from members or shareholders 87a N/A			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A			
88 a	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	88a	X	
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 ▶	88b		X
89 a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) organizations.* 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	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.			
e	*All organizations.* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		X
f	*All organizations.* Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		X
g	*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?	89g		X
90 a	List the states with which a copy of this return is filed ▶ NONE			
b	Number of employees employed in the pay period that includes March 12, 2007 90b 712			
91 a	The books are in care of ▶ ERIC MARTINSEN Telephone no. ▶ 207-779-2613			
	Located at ▶ 111 FRANKLIN HEALTH COMMONS, FARMINGTON, ME ZIP + 4 ▶ 04938			
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)?	91b		X
	If "Yes," enter the name of the foreign country ▶ N/A			
	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)*

		Yes	No
c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶ N/A	91c		X

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* **Form 1041-** Check here ▶ ☐ 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.*	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu-sion code	(D) Amount	
93 Program service revenue:					
a PATIENT SERVICES					60,875,839.
b					
c					
d					
e					
f Medicare/Medicaid payments					87,775,964.
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	125.	
96 Dividends and interest from securities			14	321,544.	
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 personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	787,970.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a OCCUPATIONAL HEALTH					94,600.
b CAFETERIA INCOME			03	148,197.	
c OTHER MISCELLANEOUS	621990	11,656.			815,585.
d AMBULANCE SUBSIDY					737,689.
e					
104 Subtotal (add columns (B), (D), and (E))		11,656.		1,257,836.	150,299,677.

105 **Total** (add line 104, columns (B), (D), and (E)) ▶ 151,569,169.

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).
93A	THE PROVISION OF PATIENT SERVICES AS WELL AS THE COLLECTION OF OTHER
93F	HOSPITAL REVENUES IS IN ACCORDANCE WITH THE HOSPITALS EXEMPT PURPOSE
103	UNDER THE IRC SECTION 501(C)(3)

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 20	%			
	%			
	%			
	%			

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).*

Form **990** (2007)

723163
12-27-07

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).* N/A

	Yes	No
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.		

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

	Yes	No
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.		

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

	Yes	No
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?		

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.

Eric Martinsen — Signature of officer | Date 5/14/2009

ERIC MARTINSEN, CHIEF FINANCIAL OFFICER — Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Barbara McCuan	Date 5/13/09	Check if self-employed ☐	Preparer's SSN or PTIN (See Gen. Inst. X)
Firm's name (or yours if self-employed), address, and ZIP + 4	BERRY DUNN MCNEIL & PARKER, LLC P.O. BOX 1100 PORTLAND, ME 04104-1100		EIN	
			Phone no. (207) 775-2387	

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

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

OMB No. 1545-0047

2007

Name of the organization: FRANKLIN MEMORIAL HOSPITAL

Employer identification number: 01 0211503

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the 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 & deferred compensation	(e) Expense account and other allowances
NANCY CUMMINGS 111 FRANKLIN HEALTH COMMONS, FARMINGT	ORTHO SURGEON 40.00	399,136.	20,520.	0.
ERIC GUNTHER 111 FRANKLIN HEALTH COMMONS, FARMINGT	GENERAL SURGEON 40.00	323,581.	18,765.	0.
CARMEN CROFOOT 111 FRANKLIN HEALTH COMMONS, FARMINGT	ORTHO SURGEON 40.00	320,246.	13,976.	0.
HEATHER DECAROLIS 111 FRANKLIN HEALTH COMMONS, FARMINGT	ANESTHESIOLOGIST 40.00	270,252.	15,467.	0.
JAMES LANCASTER 111 FRANKLIN HEALTH COMMONS, FARMINGT	ANESTHESIOLOGIST 40.00	267,368.	19,820.	0.
Total number of other employees paid over $50,000 ▶	194			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the 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
APPLIED MANAGEMENT 8069 N. SHERMAN BLVD., BROWN DEER, WI 53209	FINANCIAL CONSULTING	249,362.
BERRY, DUNN, MCNEIL & PARKER 100 MIDDLE STREET, PORTLAND, ME 04101	ACCOUNTING SERVICES	137,074.
HARRIMAN ASSOCIATES 46 HARRIMAN DRIVE, AUBURN, ME 04210	ARCHITECT SERVICES	129,329.
PRETI FLAHERTY, BELIVEAU & PACHIOS ONE CITY CENTER, PORTLAND, ME 04101	LEGAL SERVICES	129,324.
SKELTON, TAINTOR & ABBOTT 95 MAIN STREET, AUBURN, ME 04212	LEGAL SERVICES	91,628.
Total number of others receiving over $50,000 for professional services ▶ 2		

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 page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
HE CALLAHAN CONSTRUCTION P.O. BOX 677 TURNER ROAD, AUBURN, ME 04212	CONSTRUCTION	9,987,369.
AMEDISTAF, LLC P.O. BOX 595, TONTITOWN, AR 72770	CONTRACT STAFFING AGENCY	469,942.
ON ASSIGNMENT STAFFING 26651 W. AGOURA ROAD, CALABASAS, CA 91302	HEALTHCARE STAFFING	241,730.
LIQUID AGENTS, LLC 2901 DALLAS PARKWAY, SUITE 400, PLANO, TX 75093	HEALTHCARE STAFFING	237,188.
BENEFIT STRATEGIES, LLC P.O. BOX 1300, MANCHESTER, NH 03105-1300	ADMINISTRATION OF EMPLOYEE BENEFIT	218,593.
Total number of other contractors receiving over $50,000 for other services ▶ 8		

Part III Statements About Activities (See page 2 of the instructions.)

			Yes	No
1	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 ▶ $ ______ $ 40,472. (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) VI-B, LINE I	1	X	
	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.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing of property?	2a		X
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities?	2c		X
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? SEE PART V-A, FORM 990	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3 a	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	Did the organization have a section 403(b) annuity plan for its employees?	3b	X	
c	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
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		X
4 a	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	Did the organization make any taxable distributions under section 4966? N/A	4b		
c	Did the organization make a distribution to a donor, donor advisor, or related person? N/A	4c		
d	Enter the total number of donor advised funds owned at the end of the tax year ▶		N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		N/A	
f	Enter the total number of separate funds or accounts owned at the end of the 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.	
g	Enter the aggregate value of assets 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 pages 4 through 8 of the 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 [X] 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 page 8 of the 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? Yes	No	(e) Amount of support
Total ▶					

14 [ ] An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A **Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.** N/A
Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	0.	0.	0.	0.	0.
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 ▶ 26a N/A

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b N/A

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ 26c N/A

d Add: Amounts from column (e) for lines: 18 ____ 19 ____ 22 ____ 26b ____ ▶ 26d N/A

e Public support (line 26c minus line 26d total) ▶ 26e N/A

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f N/A %

27 **Organizations described on line 12: 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." **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2006) ________ (2005) ________ (2004) ________ (2003) ________

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. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year:

(2006) ________ (2005) ________ (2004) ________ (2003) ________

c Add: Amounts from column (e) for lines: 15 ____ 16 ____ 17 ____ 20 ____ 21 ____ ▶ 27c N/A

d Add: Line 27a total ____ and line 27b total ____ ▶ 27d N/A

e Public support (line 27c total minus line 27d total) ▶ 27e N/A

f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f N/A

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g N/A %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h N/A %

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.

Part V Private School Questionnaire (See page 9 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Line	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?	29		
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?	30		
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?	31		
	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?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	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?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	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	35		

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions.) N/A

(To be completed **ONLY** by an eligible organization that filed Form 5768)

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
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is - / **The lobbying nontaxable amount is -**			
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	41		
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			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

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 on page 13 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

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

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the 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
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)	X		
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body	X		34,254.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means	X		6,218.
i Total lobbying expenditures (Add lines **c** through **h.**)			40,472.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities. SEE STATEMENT 21

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received: N/A

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☒ No

b If "Yes," complete the following schedule: N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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	Employer identification number
FRANKLIN MEMORIAL HOSPITAL	01-0211503

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	[X] 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-

[X] 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).*

Name of organization: FRANKLIN MEMORIAL HOSPITAL

Employer identification number: 01-0211503

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		$ 154,086.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
2		$ 113,560.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
3		$ 58,247.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
4		$ 23,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

FORM 990 GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES STATEMENT 1

DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
VARIOUS SECURITIES	15,182,130.	14,389,344.	0.	792,786.
TO FORM 990, PART I, LINE 8	15,182,130.	14,389,344.	0.	792,786.

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
VARIOUS FIXED ASSETS			PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	17,262.	22,078.	0.	0.	-4,816.
TO FM 990, PART I, LN 8	17,262.	22,078.	0.	0.	-4,816.

FORM 990 PAYMENTS TO AFFILIATES STATEMENT 3

AFFILIATE'S NAME	AFFILIATE'S ADDRESS
HEALTHY COMMUNITY COALITION	111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938

PURPOSE OF PAYMENT	AMOUNT
TO FUND PROGRAM SERVICES	79,568.

AFFILIATE'S NAME	AFFILIATE'S ADDRESS
FRANKLIN COMMUNITY HEALTH NETWORK	111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938

PURPOSE OF PAYMENT	AMOUNT
TO FUND PROGRAM SERVICES	132,613.

TOTAL TO FORM 990, PART I, LINE 16	212,181.

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT 4

DESCRIPTION	AMOUNT
NET UNREALIZED LOSS ON INVESTMENTS	-1,818,786.
NET CHANGE IN PERPETUAL TRUST	-27,077.
CHANGE IN INTEREST IN NET ASSETS OF FCHN	1,594,286.
TRANSFER OF INVESTMENTS TO FRANKLIN COMMUNITY HEALTH NETWORK	-16,889,742.
TOTAL TO FORM 990, PART I, LINE 20	-17,141,319.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 5

DESCRIPTION OF PROGRAM SERVICE ONE

FRANKLIN MEMORIAL HOSPITAL WILL PROVIDE LEADERSHIP WITHIN ITS RURAL HEALTH CARE ENVIRONMENT TO FOSTER AN INNOVATIVE, COLLABORATIVE HEALTH CARE NETWORK. THE HOSPITAL WILL FACILITATE, DEVELOP, AND PARTICIPATE IN A LOCAL AND REGIONAL HEALTH CARE SYSTEM WHICH INTEGRATES DISCIPLINES, COMMUNITY NEEDS, RESOURCES, AND THE ACTIVE PARTICIPATION OF ALL INTERNAL AND EXTERNAL CUSTOMERS. FMH WILL SERVE AS A RESOURCE BASE FOR OTHER AREA HEALTH CARE PROVIDERS AND THE COMMUNITY. AT FMH, QUALITY IS PROVIDING EXCELLENT PATIENT-CENTERED CARE CALLED "FMH CARE". QUALITY IS ACHIEVED BY CONTINUALLY IMPROVING THE EFFICIENCY AND COST-EFFECTIVENESS OF ALL OUR PROCESSES TO EXCEED OUR CUSTOMERS' EXPECTATIONS.

COMMUNITY SERVICES

IN ADDITION, THE FOLLOWING COMMUNITY SERVICES AND PROGRAMS WERE PROVIDED, WHICH WERE PARTIALLY OR FULLY SUBSIDIZED BY THE HOSPITAL.

EMERGENCY SERVICES

THE HOSPITAL PROVIDES 24-HOUR EMERGENCY SERVICES. THE EMERGENCY DEPARTMENT IS STAFFED BY FULL-TIME ATTENDING PHYSICIANS, NURSING AND SUPPORT STAFF. PATIENTS ARE SEEN REGARDLESS OF ABILITY TO PAY.

CHARITY CARE

THE HOSPITAL ACCEPTS ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		134,962,195.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 6
PART III

EXPLANATION

FRANKLIN MEMORIAL HOSPITAL PROVIDES HIGH QUALITY, COST EFFECTIVE, PATIENT-CENTERED HEALTH CARE TO OUR WEST CENTRAL MAINE COMMUNITY. WE WORK WITH OUR COMMUNITY AND OTHER HEALTH CARE PROVIDERS TO INTEGRATE SERVICES AND ENSURE THE HEALTH OF OUR COMMUNITY.

FORM 990 OTHER INVESTMENTS STATEMENT 7

DESCRIPTION	VALUATION METHOD	AMOUNT
PERPETUAL TRUST	MARKET VALUE	301,254.
INTEREST IN FCHN NET ASSETS	MARKET VALUE	1,594,286.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		1,895,540.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 8

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
LAND IMPROVEMENTS	2,928,009.	2,413,358.	514,651.
BUILDING & IMPROVEMENTS	29,942,675.	13,750,631.	16,192,044.
EQUIPMENT	23,440,146.	16,387,860.	7,052,286.
CONSTRUCTION IN PROGRESS	13,925,045.	0.	13,925,045.
LAND	1,176,944.	0.	1,176,944.
TOTAL TO FORM 990, PART IV, LN 57	71,412,819.	32,551,849.	38,860,970.

FORM 990 OTHER ASSETS STATEMENT 9

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
BOND ISSUANCE COSTS	346,686.	325,502.
OTHER ASSETS, NET	157,334.	330,640.
THIRD PARTY PAYOR RECEIVABLE	7,433,838.	9,360,569.
DUE FROM AFFILIATES	54,468.	0.
TOTAL TO FORM 990, PART IV, LINE 58	7,992,326.	10,016,711.

FORM 990 TAX-EXEMPT BOND LIABILITIES OUTSTANDING STATEMENT 10

PURPOSE OF ISSUE

MHEFFA REVENUE BONDS SERIES 2001A

USE BY THIRD PARTY	UNEXPENDED BOND PROCEEDS	AMOUNT OF ISSUE OUTSTANDING
NO	0.	9,543,525.

PURPOSE OF ISSUE

MHEFFA REVENUE BONDS SERIES 2006A

USE BY THIRD PARTY	UNEXPENDED BOND PROCEEDS	AMOUNT OF ISSUE OUTSTANDING
NO	0.	863,809.

PURPOSE OF ISSUE

MHEFFA REVENUE BONDS SERIES 2006F

USE BY THIRD PARTY	UNEXPENDED BOND PROCEEDS	AMOUNT OF ISSUE OUTSTANDING
NO	0.	14,246,543.

TOTAL INCLUDED ON FORM 990, PART IV, LINE 64A	24,653,877.

FORM 990	MORTGAGES PAYABLE	STATEMENT 11

DESCRIPTION	BALANCE DUE
TD BANKNORTH	322,085.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B	322,085.

FORM 990 OTHER LIABILITIES STATEMENT 12

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
DUE TO AFFILIATES	0.	205,532.
DEFERRED COMPENSATION	0.	140,797.
TOTAL TO FORM 990, PART IV, LINE 65	0.	346,329.

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990	STATEMENT 13

DESCRIPTION	AMOUNT
CHANGE IN INTEREST IN NET ASSETS OF AFFILIATE	55,322.
TOTAL TO FORM 990, PART IV-A	55,322.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 14

DESCRIPTION	AMOUNT
CHANGE IN INTEREST ON NET ASSETS OF FCHN	-1,538,964.
TRANSFER OF INVESTMENTS TO FRANKLIN COMMUNITY HEALTH NETWORK	16,889,742.
TOTAL TO FORM 990, PART IV-B	15,350,778.

FORM 990	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT 15

DESCRIPTION	AMOUNT
CONTRACTUAL ADJUSTMENTS	72,068,505.
TRANSFERS TO AFFILIATES	58,247.
TOTAL TO FORM 990, PART IV-A	72,126,752.

FORM 990	OTHER EXPENSES INCLUDED ON FORM 990	STATEMENT 16

DESCRIPTION	AMOUNT
CONTRACTUAL ADJUSTMENTS	72,068,505.
TRANSFERS TO AFFILIATES	58,247.
TOTAL TO FORM 990, PART IV-B	72,126,752.

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 17

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DR. STEPHEN ZANELLA 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	PRESIDENT OF MED. STAFF 1.00	272,904.	20,171.	0.
RICHARD BATT 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	PRESIDENT 55.00	0.	0.	0.
DOUG WALRATH 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	CHAIRMAN 1.00	0.	0.	0.
DR. ALLEN BERGER 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	VICE CHAIRMAN 1.00	0.	0.	0.
JEFF HOWELL 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	TREASURER 1.00	0.	0.	0.
DR. ARMAND AUGER 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	SECRETARY 1.00	185,688.	16,001.	0.
JOHN BOGAR 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
JOSEP BOJOLD 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
DARRYL BROWN 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
GILLY HITCHCOCK 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
DAVID HORN 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.

EVELYN MCALLISTER 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
SHANNON SMITH 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
PAUL SOUCIE 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
MERIDETH TIPTON 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
TIM WALLACE 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
WAINE WHITTIER 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
RHONDA WILES-ROSELL 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
TRUDY DAWSON 111 FRANKLIN HEALTH COMMONS FARMINGTON, ME 04938	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		458,592.	36,172.	0.

FORM 990 IDENTIFICATION OF RELATED ORGANIZATIONS STATEMENT 18
PART VI, LINE 80B

NAME OF ORGANIZATION	EXEMPT	NONEXEMPT
FRANKLIN COMMUNITY HEALTH NETWORK	X	
HEALTHY COMMUNITY COALITION	X	
PINE TREE MEDICAL ASSOCIATION	X	
CARRABASSETT VALLEY CLINIC, INC.		X

FORM 990 PART V-A OFFICER COMPENSATION FROM RELATED ORGANIZATIONS STATEMENT 19

OFFICER'S NAME	COMPENSATION	EMPLOYEE BENEFIT PLAN CONTRIBUTION	EXPENSE ACCOUNT
RICHARD BATT	295,778.	26,563.	0.

NAME OF RELATED ORGANIZATION	EMPLOYER ID NUMBER
FRANKLIN COMMUNITY HEALTH NETWORK	22-3209406

RELATIONSHIP BETWEEN ORGANIZATIONS

FRANKLIN MEMORIAL HOSPITAL IS A SUBSIDIARY OF FCHN.

OFFICER'S NAME	COMPENSATION	EMPLOYEE BENEFIT PLAN CONTRIBUTION	EXPENSE ACCOUNT
ERIC MARTINSEN	161,550.	12,625.	0.

NAME OF RELATED ORGANIZATION	EMPLOYER ID NUMBER
FRANKLIN COMMUNITY HEALTH NETWORK	22-3209406

RELATIONSHIP BETWEEN ORGANIZATIONS

FRANKLIN MEMORIAL HOSPITAL IS A SUBSIDIARY OF FCHN.

OFFICER'S NAME	COMPENSATION	EMPLOYEE BENEFIT PLAN CONTRIBUTION	EXPENSE ACCOUNT
GERALD CAYER	174,516.	13,396.	0.

NAME OF RELATED ORGANIZATION	EMPLOYER ID NUMBER
FRANKLIN COMMUNITY HEALTH NETWORK	22-3209406

RELATIONSHIP BETWEEN ORGANIZATIONS

FRANKLIN MEMORIAL HOSPITAL IS A SUBSIDIARY OF FCHN.

FORM 990 PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES AND DISREGARDED ENTITIES STATEMENT 20

NAME OF CORPORATION, PARTNERSHIP OR DISREGARDED ENTITY

WESTERN MAINE PHYSICIAN HOSPITAL ORGANIZATION

ADDRESS

111 FRANKLIN HEALTH COMMONS, FARMINGTON, ME 04938

EMPLOYER ID NUMBER	PERCENT OWNED	NATURE OF ACTIVITIES	TOTAL INCOME	END-OF-YEAR ASSETS
01-0508739	50.00%	PHYSICIAN HOSPITAL ORGANIZATION	84,253.	192,062.

NAME OF CORPORATION, PARTNERSHIP OR DISREGARDED ENTITY

CARRABASSETT VALLEY CLINIC, INC.

ADDRESS

111 FRANKLIN HEALTH COMMONS, FARMINGTON, ME 04938

EMPLOYER ID NUMBER	PERCENT OWNED	NATURE OF ACTIVITIES	TOTAL INCOME	END-OF-YEAR ASSETS
76-0840047	100.00%	OUTPATIENT CARE CENTER	85,027.	47,047.

SCHEDULE A STATEMENT OF LOBBYING ACTIVITIES - PART VI-B STATEMENT 21

DURING FISCAL YEAR ENDED 6/30/08, THE CHIEF EXECUTIVE OFFICER OF FRANKLIN MEMORIAL HOSPITAL WAS ENGAGED IN SOME LOBBYING ACTIVITY RELATING TO PROPOSALS BEING CONSIDERED BY THE STATE LEGISLATIVE BODY. DURING THE YEAR, MR. BATT ENGAGED A LEGAL FIRM IN CONNECTION WITH THE GOVERNOR'S BUDGET BILL, LD 2173 AND LD 2289, WHICH PROPOSED SIGNIFICANT CUTS IN HOSPITAL REIMBURSEMENT FROM THE STATE OF MAINE UNDER THE MEDICAID PROGRAM, AND ENACTMENT OF REPRESENTATIVE MILL'S BILL, LD 2290, TO HELP PROVIDE MORE EQUITABLE REIMBURSEMENT TO THIS AND OTHER HOSPITALS FOR SERVICES PROVIDED TO LOW INCOME INDIVIDUALS. LEGAL FEES OF $34,254 INCURRED FOR THIS ACTIVITY WERE PAID BY THE HOSPITAL.
THE HOSPITAL ALSO PAID DUES TO THE MAINE HOSPITAL ASSOCIATION RELATED TO LOBBYING OF $6,218.

Form **4562-FY**

Department of the Treasury
Internal Revenue Service

Depreciation and Amortization 990

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No. 1545-0172

2007

Attachment Sequence No. 67

Name(s) shown on return	Business or activity to which this form relates	Identifying number
FRANKLIN MEMORIAL HOSPITAL	FORM 990 PAGE 2	01-0211503

Part I Election To Expense Certain Property Under Section 179 **Note:** *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	125,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	500,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	

8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	3,640,795.

Part III **MACRS Depreciation (Do not** include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2007	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV **Summary** (see instructions)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	3,640,795.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* **only** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A - Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No 24b If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use						25		
26 Property used more than 50% in a qualified business use:								
	: :	%						
	: :	%						
	: :	%						
27 Property used 50% or less in a qualified business use:								
	: :	%				S/L -		
	: :	%				S/L -		
	: :	%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2007 tax year:					
	: :				
	: :				
43 Amortization of costs that began before your 2007 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	

Form **8868** (Rev. April 2008) Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I **Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print	Name of Exempt Organization	Employer identification number
	FRANKLIN MEMORIAL HOSPITAL	01-0211503
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 111 FRANKLIN HEALTH COMMONS	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. FARMINGTON, ME 04938	

Check type of return to be filed(file a separate application for each return):

[X] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (sec. 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[ ] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ▶ ERIC MARTINSEN

  Telephone No. ▶ 207-779-2613 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ____. If this is for the whole group, check this box ▶ [ ]. If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until FEBRUARY 15, 2009, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ [ ] calendar year ____ or

▶ [X] tax year beginning JUL 1, 2007, and ending JUN 30, 2008.

2 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA **For Privacy Act and Paperwork Reduction Act Notice, see Instructions.** Form **8868** (Rev. 4-2008)

723831 04-16-08

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

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

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

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print	Name of Exempt Organization	Employer identification number
	FRANKLIN MEMORIAL HOSPITAL	01-0211503
File by the extended due date for filing the return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 111 FRANKLIN HEALTH COMMONS	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. FARMINGTON, ME 04938	

Check type of return to be filed (File a separate application for each return):

[X] Form 990 [ ] Form 990-EZ [ ] Form 990-T (sec. 401(a) or 408(a) trust) [ ] Form 1041-A [ ] Form 5227 [ ] Form 8870
[ ] Form 990-BL [ ] Form 990-PF [ ] Form 990-T (trust other than above) [ ] Form 4720 [ ] Form 6069

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

- The books are in the care of ▶ ERIC MARTINSEN
  Telephone No. ▶ 207-779-2613 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______. If this is for the whole group, check this box ▶ [ ]. If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until MAY 15, 2009.

5 For calendar year ______, or other tax year beginning JUL 1, 2007, and ending JUN 30, 2008.

6 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
INFORMATION FROM THIRD PARTIES HAS NOT YET BEEN RECEIVED. THEREFORE, ADDITIONAL TIME IS NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

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

Signature and Verification

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

Signature ▶ Barbara J McCurran Title ▶ CPA Date ▶ 1/10/09

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