

**Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

**2008**

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**

Department of the Treasury  
Internal Revenue Service

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

**A For the 2008 calendar year, or tax year beginning** 07/01, 2008, **and ending** 06/30, 2009

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	<b>C Name of organization</b> ST MARYS HOSPITAL OF ST MARYS Doing Business As		<b>D Employer identification number</b> 52-0619006
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite		<b>E Telephone number</b> (301) 475-6003
		25500 POINT LOOKOUT RD City or town, state or country, and ZIP + 4 LEONARDTOWN, MD 20650		<b>G Gross receipts \$</b> 118,864,427.
		<b>F Name and address of principal officer:</b> CHRISTINE WRAY 25500 POINT LOOKOUT RD LEONARDTOWN, MD 20650		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)

**I Tax-exempt status:**  501(c) ( 3 ) ◀ (insert no.)  4947(a)(1) or  527

**J Website:** ▶ WWW.SMHWCARE.COM **H(c) Group exemption number** ▶

**K Type of organization:**  Corporation  Trust  Association  Other ▶ **L Year of formation:** 1912 **M State of legal domicile:** MD

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: AS A PROUD MEMBER OF MEDSTAR HEALTH, ST. MARY'S IS A COMMUNITY HOSPITAL THAT UPHOLDS ITS TRADITION OF CARING BY PROMOTING, MAINTAINING AND IMPROVING HEALTH THROUGH EDUCATION AND SERVICE.		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	3	19
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	4	15
	<b>5</b> Total number of employees (Part V, line 2a)	5	1,371
	<b>6</b> Total number of volunteers (estimate if necessary)	6	135
	<b>7a</b> Total gross unrelated business revenue from Part VIII, line 12, column (C) <b>b</b> Net unrelated business taxable income from Form 990-T, line 34	7a	113,589. 7b 122,855.
<b>Revenue</b>	<b>8</b> Contribution and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	330,688.	1,437,558.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	108,603,425.	114,490,165.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	786,301.	690,395.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,274,704.	2,049,454.
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	110,995,118.	118,667,572.
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		236,355.
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		NONE
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	51,861,466.	60,891,332.
	<b>b</b> Total fundraising expenses, Part IX, column (D), line 25)		NONE
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	62,195.	
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	51,671,544.	52,865,356.
<b>Net Assets or Fund Balances</b>	<b>19</b> Revenue less expenses. Subtract line 18 from line 12	103,533,010.	113,993,043.
	<b>20</b> Total assets (Part X, line 16)	7,462,108.	4,674,529.
	<b>21</b> Total liabilities (Part X, line 26)	Beginning of Year	End of Year
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	117,861,733.	137,028,349.
		43,917,330.	64,114,520.
		73,944,403.	72,913,829.

**Part II Signature Block**

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

**Sign Here** ▶ *[Signature]* Date 5/14/10  
 Signature of officer

▶ RICHARD A. BLAAM CFO  
 Type or print name and title

<b>Paid Preparer's Use Only</b>	Preparer's signature ▶ <i>[Signature]</i>	Date 05/13/2010	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) P0482524
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ COHEN, RUTHERFORD + KNIGHT, PC 6903 ROCKLEDGE DRIVE, SUITE 500 BETHESDA, MD 20817-1800		EIN ▶ 52-1202280	Phone no. ▶ 301-828-1002

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Form 990 (2008)

**Part III** Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

AS A PROUD MEMBER OF MEDSTAR HEALTH, ST. MARY'S IS A COMMUNITY HOSPITAL THAT UPHOLDS ITS TRADITION OF CARING BY PROMOTING, MAINTAINING AND IMPROVING HEALTH THROUGH EDUCATION AND SERVICE.

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

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

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

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses.

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 3,365,310. including grants of \$ ) (Revenue \$ NONE )

ST. MARY'S HOSPITAL PROVIDED \$3.4M CHARITY CARE SERVICES IN FISCAL 2009. CHARITY CARE WAS PROVIDED IN ACCORDANCE WITH ST. MARY'S HOSPITAL'S CHARITY CARE POLICY TO MEMBERS OF THE COMMUNITY WHOSE INCOME IS BELOW CERTAIN THRESHOLDS AND FOR WHICH THE HOSPITAL IS NOT COMPENSATED. UNDER MARYLAND'S UNIQUE PAYER SYSTEM, THE AMOUNT REPORTED REPRESENTS THE HOSPITAL'S CHARITY CARE EXPENSE AND REVENUES REPRESENT DIRECT PAYMENTS FROM THE STATE'S CHARITY CARE POOL. OTHER CHARITY CARE EXPENSES ARE INDIRECTLY REIMBURSED VIA THE STATE OF MARYLAND'S PAYMENT SYSTEM.

4b (Code: ) (Expenses \$ 2,770,917. including grants of \$ ) (Revenue \$ NONE )

ST. MARY'S HOSPITAL PROVIDED \$2.8M SUBSIDIZED (MISSION DRIVEN) HEALTH SERVICES IN FISCAL 2009. INCLUDED IN THIS GROUP OF SERVICES ARE THOSE THAT ARE PROVIDED TO THE COMMUNITY AND ARE EXPECTED TO OPERATE AT A LOSS AND ARE INTENDED TO ADDRESS COMMUNITY NEEDS AND PRIORITIES PRIMARILY THROUGH DISEASE PREVENTION AND IMPROVEMENT OF HEALTH STATUS. ST. MARY'S HOSPITAL'S SUBSIDIZED HEALTH SERVICES INCLUDE COSTS INCURRED FOR THE RECRUITMENT OF PHYSICIANS TO A RURAL AREA WITH A CRITICAL SHORTAGE OF PHYSICIANS.

4c (Code: ) (Expenses \$ 309,803. including grants of \$ ) (Revenue \$ NONE )

ST. MARY'S HOSPITAL PROVIDED \$0.3M COMMUNITY HEALTH SERVICES IN FISCAL 2009. THESE SERVICES INCLUDE COMMUNITY HEALTH EDUCATION (SUPPORT GROUPS AND SELF HELP); COMMUNITY BASED CLINICAL SERVICES (SCREENINGS AND MOBILE UNITS), HEALTH CARE SUPPORT SERVICES, BLOOD DRIVES, AND IMMUNIZATION CLINICS

4d Other program services. (Describe in Schedule O.) SEE STATEMENT 1

(Expenses \$ 98,682,732. including grants of \$ 236,355. ) (Revenue \$ 114,490,165. )

4e Total program service expenses ► \$ 105,128,762. (Must equal Part IX, Line 25, column (B).)

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		X
5 Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	X	
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	X	
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	X	
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X

**Part IV Checklist of Required Schedules (continued)**

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a	X
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b	X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c	X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	29	X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30	X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31	X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32	X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33	X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .	34	X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	35	X
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	36	X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	37	X



Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.

Table with 11 rows of questions (1a-11) and columns for Yes/No. Includes sub-questions 1a, 1b, 7a, 7b, 8a, 8b, 9a, 9b, 15a, 15b, 16a, 16b.

Section B. Policies

Table with 12 rows of questions (12a-16b) and columns for Yes/No.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection.
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization.







**Part VIII Statement of Revenue**

52-0619006

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c	18,456.				
	d	Related organizations	1d	1,063,222.				
	e	Government grants (contributions)	1e	106,517.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	249,363.				
	g	Noncash contributions included in lines 1a-1f: \$						
	h	<b>Total.</b> Add lines 1a-1f		1,437,558.				
Program Service Revenue				<b>Business Code</b>				
	2a	NET PATIENT REVENUE		110,639,070.	110,639,070.			
	b	CHARITY CARE		3,539,395.	3,539,395.			
	c	OTHER PATIENT REVENUE		311,700.	311,700.			
	d							
	e							
	f	All other program service revenue						
	g	<b>Total.</b> Add lines 2a-2f		114,490,165.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	STMT 3	723,453.			723,453.	
	4	Income from investment of tax-exempt bond proceeds		NONE				
	5	Royalties		NONE				
	6a	Gross Rents	(i) Real	117,283.				
			(ii) Personal					
			b	Less: rental expenses	136,515.			
			c	Rental income or (loss)	-19,232.			
	d	Net rental income or (loss)		-19,232.			-19,232.	
	7a	Gross amount from sales of assets other than inventory	(i) Securities					
			(ii) Other	19,870.				
			b	Less: cost or other basis and sales expenses	52,928.			
			c	Gain or (loss)	-33,058.			
	d	Net gain or (loss)		-33,058.			-33,058.	
	8a	Gross income from fundraising events (not including \$ 18,456. of contributions reported on line 1c). See Part IV, line 18.	STMT 7	4,529.				
			b	Less: direct expenses	7,412.			
			c	Net income or (loss) from fundraising events	STMT 8	-2,883.		
	9a	Gross income from gaming activities. See Part IV, line 19.	a	123,855.				
			b	Less: direct expenses				
c			Net income or (loss) from gaming activities	STMT 9	123,855.		113,589.	
10a	Gross sales of inventory, less returns and allowances	a						
		b	Less: cost of goods sold					
		c	Net income or (loss) from sales of inventory		NONE			
<b>Miscellaneous Revenue</b>			<b>Business Code</b>					
11a	CAFETERIA		527,397.			527,397.		
b	OTHER		1,420,317.			1,420,317.		
c								
d	All other revenue							
e	<b>Total.</b> Add lines 11a-11d		1,947,714.					
12	<b>Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		118,667,572.	114,490,165.	113,589.	2,615,994.		

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	NONE			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	236,355.	236,355.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	NONE			
4 Benefits paid to or for members . . . . .	NONE			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	1,157,261.	925,809.	231,452.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
7 Other salaries and wages . . . . .	48,952,256.	46,095,164.	2,810,098.	46,994.
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions) . .	941,577.	880,966.	59,686.	925.
9 Other employee benefits . . . . .	6,223,039.	5,915,075.	297,372.	10,592.
10 Payroll taxes . . . . .	3,617,199.	3,385,432.	228,083.	3,684.
11 Fees for services (non-employees):				
a Management . . . . .	1,154,035.	804,797.	349,238.	
b Legal . . . . .	306,324.	15,638.	290,686.	
c Accounting . . . . .	137,705.		137,705.	
d Lobbying . . . . .	NONE			
e Professional fundraising services. See Part IV, line 17	NONE			
f Investment management fees . . . . .	NONE			
g Other . . . . .	NONE			
12 Advertising and promotion . . . . .	308,288.	6,640.	301,648.	
13 Office expenses . . . . .	NONE			
14 Information technology . . . . .	569,090.	455,272.	113,818.	
15 Royalties . . . . .	NONE			
16 Occupancy . . . . .	86,936.	86,936.		
17 Travel . . . . .	192,497.	109,514.	82,983.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings . . . .	NONE			
20 Interest . . . . .	1,238,344.	1,052,592.	185,752.	
21 Payments to affiliates . . . . .	NONE			
22 Depreciation, depletion, and amortization . . .	6,905,052.	6,341,440.	563,612.	
23 Insurance . . . . .	2,417,655.	2,055,007.	362,648.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a SUPPLIES -----	17,199,434.	17,080,121.	119,313.	
b BAD DEBTS -----	5,381,200.	5,381,200.		
c PROFESSIONAL FEES PHYSICIANS -----	3,785,228.	3,225,033.	560,195.	
d CONTRACTED SERVICES -----	3,652,229.	2,921,783.	730,446.	
e PURCHASED SERVICES -----	3,654,797.	2,923,838.	730,959.	
f All other expenses -----	5,876,542.	5,230,150.	646,392.	
25 Total functional expenses. Add lines 1 through 24f	113,993,043.	105,128,762.	8,802,086.	62,195.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation . . . . .				

**Part X Balance Sheet**

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash - non-interest-bearing . . . . .	3,083,658.	1	2,238,685.
	2 Savings and temporary cash investments . . . . .		2	
	3 Pledges and grants receivable, net . . . . .		3	
	4 Accounts receivable, net . . . . .	15,404,820.	4	14,233,742.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L . . . . .		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L . . . . .		6	
	7 Notes and loans receivable, net . . . . . SFMT. 10 .	521,928.	7	890,759.
	8 Inventories for sales or use . . . . .	1,099,488.	8	2,477,822.
	9 Prepaid expenses and deferred charges . . . . . SFMT. 11 .	1,160,739.	9	802,046.
	10a Land, buildings, and equipment: cost basis . . . . . 10a 117,597,519.			
	b Less: accumulated depreciation. Complete Part VI of Schedule D . . . . . 10b 40,659,734.	71,841,212.	10c	76,937,785.
	11 Investments - publicly traded securities . . . . . SFMT. 12 .	18,875,270.	11	20,604,765.
	12 Investments - other securities. See Part IV, line 11 . . . . .		12	
	13 Investments - program-related. See Part IV, line 11 . . . . .		13	
	14 Intangible assets . . . . .		14	
	15 Other assets. See Part IV, line 11 . . . . .	5,874,618.	15	18,842,745.
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	117,861,733.	16	137,028,349.	
Liabilities	17 Accounts payable and accrued expenses . . . . .	12,023,248.	17	15,901,616.
	18 Grants payable . . . . .		18	
	19 Deferred revenue . . . . .		19	
	20 Tax-exempt bond liabilities . . . . .	18,314,381.	20	32,900,415.
	21 Escrow account liability. Complete Part IV of Schedule D . . . . .		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		22	
	23 Secured mortgages and notes payable to unrelated third parties SFMT. 13 .	7,821,764.	23	6,197,846.
	24 Unsecured notes and loans payable . . . . .		24	
	25 Other liabilities. Complete Part X of Schedule D . . . . .	5,757,937.	25	9,114,643.
	26 <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	43,917,330.	26	64,114,520.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets . . . . .	73,733,266.	27	71,974,800.
	28 Temporarily restricted net assets . . . . .	111,137.	28	839,029.
	29 Permanently restricted net assets . . . . .	100,000.	29	100,000.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds . . . . .		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund . . . . .		31	
	32 Retained earnings, endowment, accumulated income, or other funds . . . . .		32	
33 <b>Total net assets or fund balances</b> . . . . .	73,944,403.	33	72,913,829.	
34 <b>Total liabilities and net assets/fund balances</b> . . . . .	117,861,733.	34	137,028,349.	

**Part XI Financial Statements and Reporting**

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .		X
b	Were the organization's financial statements audited by an independent accountant? . . . . .	X	
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . .	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .		X
b	If "Yes," did the organization undergo the required audit or audits? . . . . .		



**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
3 The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
4 <b>Total.</b> Add lines 1-3 . . . . .						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						
6 <b>Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4. . . . .						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
9 Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
11 <b>Total support.</b> Add lines 7 through 10 . . . . .						
12 Gross receipts from related activities, etc. (See instructions.) . . . . .					12	
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here . . . . .						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) . . . . .	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f . . . . .	15	%
16a <b>33 1/3% support test - 2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
b <b>33 1/3% support test - 2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
17a <b>10%-facts-and-circumstances test - 2008.</b> If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
b <b>10%-facts-and-circumstances test - 2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . .		<input type="checkbox"/>

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**  
 (Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .						
3 Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
6 Total. Add lines 1-5 . . . . .						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 . . . . .						
c Add lines 7a and 7b. . . . .						
8 Public support (Subtract line 7c from line 6.) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6 . . . . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
c Add lines 10a and 10b . . . . .						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
13 Total support. (Add lines 9, 10c, 11, and 12.) . . . . .						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)). . . . .	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g . . . . .	16	%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)) . . . . .	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h. . . . .	18	%

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

**Part IV** **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

Area with horizontal dashed lines for supplemental information.

**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No. 1545-0047

**2008**

Name of the organization

ST MARYS HOSPITAL OF ST MARYS  
COUNTY, INC.

Employer identification number

52-0619006

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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 (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. 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** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their 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).

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)



Name of organization **ST MARYS HOSPITAL OF ST MARYS COUNTY, INC.**

Employer identification number  
**52-0619006**

**Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	JAMES DOBRY ESTATE 22335 EXPLORATION DR LEXINGTON PARK, MD 20653	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	ST MARYS HOSPITAL FOUNDATION 25500 POINT LOOKOUT RD LEONARDTOWN, MD 20659	\$ 137,395.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	CONTRIBUTIONS LESS THAN 5000 25500 POINT LOOKOUT RD LEONARDTOWN, MD 20659	\$ 139,412.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	ST MARYS COUNTY HEALTH DEPT 21580 PEABODY ST LEONARDTOWN, MD 20650	\$ 24,944.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	ST MARYS COUNTY GOVERNMENT 23115 LEONARD HALL DR LEONARDTOWN, MD 20650	\$ 12,981.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	DHMH OFFICE OF PREPARDNESS 300 W PRESTON ST BALTIMORE, MD 21201	\$ 99,951.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization **ST MARYS HOSPITAL OF ST MARYS COUNTY, INC.**

Employer identification number  
52-0619006

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	COUNTY COMMISSIONER ST MARYS COUNTY 23115 LEONARD HALL DR LEONARDTOWN, MD 20650	\$ 68,592.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	HOSPICE OF ST MARYS INC 25500 POINT LOOKOUT RD LEONARDTOWN, MD 20650	\$ 925,827.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	ST MARYS HOSPITAL AUXILIARY 25500 POINT LOOKOUT RD LEONARDTOWN, MD 20650	\$ 18,456.	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.)

**SCHEDULE D  
(Form 990)**

**Supplemental Financial Statements**

OMB No. 1545-0047

**2008**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

Name of the organization **ST MARYS HOSPITAL OF ST MARYS COUNTY, INC.**

Employer identification number  
**52-0619006**

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

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

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply).
- |   |  |
|---|--|
| <input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure) | <input type="checkbox"/> Preservation of an historically importantly land area |
| <input type="checkbox"/> Protection of natural habitat                                      | <input type="checkbox"/> Preservation of certified historic structure          |
| <input type="checkbox"/> Preservation of open space   |  |
- 2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.
- |  | Held at the End of the Year |
|--|-----------------------------|
| a Total number of conservation easements . . . . .   | 2a                          |
| b Total acreage restricted by conservation easements . . . . .                                 | 2b                          |
| c Number of conservation easements on a certified historic structure included in (a) . . . . . | 2c                          |
| d Number of conservation easements included in (c) acquired after 8/17/06 . . . . .            | 2d                          |
- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ \_\_\_\_\_
- 4 Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_
- 5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? . . . . .  Yes  No
- 6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ \_\_\_\_\_
- 7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ \_\_\_\_\_
- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? . . . . .  Yes  No
- 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenues included in Form 990, Part VIII, line 1 . . . . . ▶ \$ \_\_\_\_\_
- (ii) Assets included in Form 990, Part X . . . . . ▶ \$ \_\_\_\_\_
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:
- a Revenues included in Form 990, Part VIII, line 1 . . . . . ▶ \$ \_\_\_\_\_
- b Assets included in Form 990, Part X . . . . . ▶ \$ \_\_\_\_\_

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

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

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

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . . .  Yes  No

**Part IV Trust, Escrow and Custodial Arrangements.** Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . . .  Yes  No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance . . . . .	<b>1c</b>
d Additions during the year . . . . .	<b>1d</b>
e Distributions during the year . . . . .	<b>1e</b>
f Ending balance . . . . .	<b>1f</b>

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

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

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

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance . . . . .	100,000.				
b Contributions . . . . .					
c Investment earnings or losses . . . . .					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .	100,000.				

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
- b Permanent endowment ▶ 100.0000 %
- c Term endowment ▶ \_\_\_\_\_ %

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

- (i) unrelated organizations . . . . .
- (ii) related organizations . . . . .

	Yes	No
3a(i)		X
3a(ii)		X
3b		

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land . . . . .		3,921,323.		3,921,323.
b Buildings . . . . .		76,459,922.	14,790,774.	61,669,148.
c Leasehold improvements . . . . .				
d Equipment . . . . .		37,216,274.	25,868,960.	11,347,314.
e Other . . . . .				
<b>Total.</b> Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .				76,937,785.



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

Table with 10 rows for reconciliation of net assets. Rows include: 1 Total revenue, 2 Total expenses, 3 Excess or (deficit) for the year, 4 Net unrealized gains, 5 Donated services, 6 Investment expenses, 7 Prior period adjustments, 8 Other, 9 Total adjustments, 10 Excess or (deficit) for the year per financial statements.

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

Table with 5 main rows for revenue reconciliation. Rows include: 1 Total revenue, gains, and other support, 2 Amounts included on line 1 but not on Form 990, 3 Subtract line 2e from line 1, 4 Amounts included on Form 990 but not on line 1, 5 Total revenue. Sub-rows a-d are included for lines 2 and 4.

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

Table with 5 main rows for expense reconciliation. Rows include: 1 Total expenses and losses, 2 Amounts included on line 1 but not on Form 990, 3 Subtract line 2e from line 1, 4 Amounts included on Form 990 but not on line 1, 5 Total expenses. Sub-rows a-d are included for lines 2 and 4.

Part XIV Supplemental Information

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

SCHEDULE D, PART XIV
-----
INTENDED USE OF ENDOWMENT FUNDS
-----
GENERAL SUPPORT OF HOSPITAL
-----

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

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

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

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

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

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

**Part XIV Supplemental Information**

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

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

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col. (a) through col. (c))	
		GOLF TOURN (event type)	(event type)	NONE (total number)		
Revenue	1	Gross receipts	22,985.		22,985.	
	2	Less: Charitable contributions	18,456.		18,456.	
	3	Gross revenue (line 1 minus line 2)	4,529.		4,529.	
Direct Expenses	4	Cash prizes				
	5	Non-cash prizes				
	6	Rent/facility costs				
	7	Other direct expenses	7,412.		7,412.	
	8	Direct expense summary. Add lines 4 through 7 in column (d)				( 7,412. )
	9	Net income summary. Combine lines 3 and 8 in column (d)				-2,883.

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col. (a) through col. (c))	
Revenue	1	Gross revenue	123,855.		123,855.	
Direct Expenses	2	Cash prizes				
	3	Non-cash prizes				
	4	Rent/facility costs				
	5	Other direct expenses				
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7	Direct expense summary. Add lines 2 through 5 in column (d)				( )
	8	Net gaming income summary. Combine lines 1 and 7 in column (d)				123,855.

9	Enter the state(s) in which the organization operates gaming activities: <u>MD</u>	Yes	No
a	Is the organization licensed to operate gaming activities in each of these states?	X	
b	If "No," Explain: ----- -----		
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?		
b	If "Yes," Explain: ----- -----		
11	Does the organization operate gaming activities with nonmembers?	X	
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?		X

13 Indicate the percentage of gaming activity operated in:

a	The organization's facility . . . . .	13a	%
b	An outside facility . . . . .	13b	100.0000 %

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

Name ▶ ADF COMMUNITY OUTREACH FOUNDATION

Address ▶ 29770 THREE NOTCH RD STE 204 CHARLOTTE HALL, MD 20622

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . .

15a	X
-----	---

b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ 123,855, and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_.

c If "Yes," enter name and address:

Name ▶ ADF BINGO

Address ▶ \_\_\_\_\_

16 Gaming manager information:

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

Director/officer       Employee       Independent contractor

17 Mandatory distributions:

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

17a	X
-----	---

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ NONE

**SCHEDULE H**

(Form 990)

**Hospitals**

OMB No. 1545-0047

**2008**

**Open to Public Inspection**

▶ To be completed by organizations that answer "Yes" to Form 990,  
Part IV, line 20.  
▶ Attach to Form 990.

Department of the Treasury  
Internal Revenue Service

Name of the organization **ST MARYS HOSPITAL OF ST MARYS**

Employer identification number

COUNTY, INC.

52-0619006

**Part I Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)**

	Yes	No
1 a Does the organization have a charity care policy? If "No," skip to question 6a	1 a	
b If "Yes," is it a written policy?	1 b	
2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals. <input type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Applied uniformly to most hospitals <input type="checkbox"/> Generally tailored to individual hospitals		
3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.		
a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	3 a	
b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	3 b	
c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.		
4 Does the organization's policy provide free or discounted care to the "medically indigent"?	4	
5 a Does the organization budget amounts for free or discounted care provided under its charity care policy?	5 a	
b If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5 b	
c If "Yes" to 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5 c	
6 a Does the organization prepare an annual community benefit report?	6 a	
b If "Yes," does the organization make it available to the public?	6 b	

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)						
b Unreimbursed Medicaid (from Worksheet 3, column a)						
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs						
<b>Other Benefits</b>						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j Total Other Benefits						
k Total (line 7d and 7j)						

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule H (Form 990) 2008

**Part II Community Building Activities** Complete this table if the organization conducted any community building activities. (Optional for 2008)

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

**Part III Bad Debt, Medicare, & Collection Practices** (Optional for 2008)

**Section A. Bad Debt Expense**

	Yes	No
1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? . . . . .	1	
2 Enter the amount of the organization's bad debt expense (at cost) . . . . .	2	
3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy . . . . .	3	
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, or rationale for including other bad debt amounts in community benefit.		

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME) . . . . .	5	
6 Enter Medicare allowable costs of care relating to payments on line 5 . . . . .	6	
7 Enter line 5 less line 6 - surplus or (shortfall) . . . . .	7	
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit and the costing methodology or source used to determine the amount reported on line 6, and indicate which of the following methods was used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

**Section C. Collection Practices**

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

**Part IV Management Companies and Joint Ventures** (Optional for 2008)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				









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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
SEE SCHEDULE I-1					

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

MONITORING FUNDS

WE HAVE AN EMPLOYEE SCHOLARSHIP (ES) PROGRAM AT ST. MARY'S HOSPITAL. THE EMPLOYEE SCHOLARSHIPS UNDERGO A THOROUGH REVIEW AND APPROVAL PHASE DEPENDENT UPON PROPER SUBMISSIONS BY THE REQUESTING RECIPIENT. ANY CHANGES TO THE ES PROGRAM MUST GO THROUGH THE PRESIDENT'S OFFICE FOR APPROVAL. ALL APPLICANTS WILL BE ASSIGNED A HRD ASSOCIATE THAT WILL RECEIVE AND STAMP APPLICATIONS WHEN RECEIVED. ALL APPLICANTS WILL BE INTERVIEWED BY HRD DEPARTMENT LEADER OF THE NURSING RECRUITER/HR GENERALIST FOR REVIEW OF THE APPLICATION AND AGREEMENT EXPECTATIONS.







**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

Department of the Treasury  
Internal Revenue Service

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

▶ Attach to Form 990. To be completed by organizations  
that answered "Yes" to Form 990, Part IV, line 23.

**2008**

**Open to Public  
Inspection**

Name of the organization **ST MARYS HOSPITAL OF ST MARYS  
COUNTY, INC.**

Employer identification number  
**52-0619006**

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain . . . . .

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? . . . . .

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations                | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

**a** Receive a severance payment or change of control payment? . . . . .

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . . . .

**c** Participate in, or receive payment from, an equity-based compensation arrangement? . . . . .

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

**a** The organization? . . . . .

**b** Any related organization? . . . . .

If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

**a** The organization? . . . . .

**b** Any related organization? . . . . .

If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III . . . . .

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III . . . . .

	Yes	No
1a		
1b		
2		
3		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space is needed.

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
PAUL BARBER	(i) 133,964. (ii) NONE (iii) NONE	225,000. NONE NONE	9,337. NONE NONE	18,451. NONE NONE	6,515. NONE NONE	393,267. NONE NONE	180,195.
DONALD SIFK	(i) 124,260. (ii) NONE (iii) NONE	8,000. NONE NONE	19,245. NONE NONE	6,500. NONE NONE	382. NONE NONE	158,387. NONE NONE	75,765.
CHRISTINE WRAY	(i) 343,845. (ii) NONE (iii) NONE	91,759. NONE NONE	3,656. NONE NONE	36,000. NONE NONE	157. NONE NONE	475,417. NONE NONE	214,423.
JOAN GELRUD	(i) 143,853. (ii) NONE (iii) NONE	NONE NONE NONE	19,206. NONE NONE	38,254. NONE NONE	11,371. NONE NONE	212,684. NONE NONE	83,206.
MARY LOU WATSON	(i) 162,898. (ii) NONE (iii) NONE	390. NONE NONE	26,085. NONE NONE	12,282. NONE NONE	157. NONE NONE	201,812. NONE NONE	100,906.
ROBERT KONKOL	(i) 250,016. (ii) NONE (iii) NONE	37,500. NONE NONE	1,805. NONE NONE	20,500. NONE NONE	9,517. NONE NONE	319,338. NONE NONE	112,912.
YAHIA TAGOOURI	(i) 225,896. (ii) NONE (iii) NONE	24,432. NONE NONE	NONE NONE NONE	15,000. NONE NONE	10,819. NONE NONE	276,147. NONE NONE	121,695.
MEHRDAD AKHLAGHI	(i) 195,000. (ii) NONE (iii) NONE	17,415. NONE NONE	31,080. NONE NONE	9,200. NONE NONE	9,517. NONE NONE	262,212. NONE NONE	23,195.
DAVID ALLEN	(i) 185,016. (ii) NONE (iii) NONE	5,568. NONE NONE	32,532. NONE NONE	NONE NONE NONE	7,470. NONE NONE	230,586. NONE NONE	80,662.
TAMARA DAVIS	(i) 180,003. (ii) NONE (iii) NONE	9,663. NONE NONE	NONE NONE NONE	2,285. NONE NONE	10,819. NONE NONE	202,770. NONE NONE	80,662.
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	
	(i) NONE (ii) NONE (iii) NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	NONE NONE NONE	

Schedule J (Form 990) 2008

**Part III Supplemental Information**

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

Area with horizontal dashed lines for supplemental information.

**SCHEDULE J-2  
(Form 990)**

**Continuation Sheet for Form 990**

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Name of the Organization **ST MARYS HOSPITAL OF ST MARYS**  
**COUNTY, INC.**

Employer Identification number  
**52-0619006**

**Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
LEWIE ALDRIDGE JR VICE CHAIRMAN	3.	X		X				NONE	NONE	NONE
RICHARD BRAAM VP FINANCE CFO	40.	X		X				95,813.	NONE	6,624.
ANTHONY BRANCH DIRECTOR	3.	X						NONE	NONE	NONE
DONALD CATHER JR DIRECTOR	3.	X						NONE	NONE	NONE
CINDY DALY DIRECTOR	3.	X						128,111.	NONE	NONE
LINDA DUDDERAR CHAIRWOMAN	3.	X		X				NONE	NONE	NONE
MARY LEIGH HARLESS DIRECTOR	3.	X						NONE	NONE	NONE
HAROLD LEE DIRECTOR	3.	X						5,000.	NONE	NONE
ROBERTA LOKER SECRETARY	3.	X		X				NONE	NONE	NONE
JOHN MCALLISTER DIRECTOR	3.	X						NONE	NONE	NONE
DONALD SIRK DIRECTOR	40.	X						151,505.	NONE	6,882.
R TIMOTHY STORCH TREASURER	3.	X		X				NONE	NONE	NONE
BARBARA THOMPSON DIRECTOR	3.	X						NONE	NONE	NONE
PATTY VERNON RUSHER DIRECTOR	3.	X						NONE	NONE	NONE
CHRISTINE WRAY PRESIDENT CEO	40.	X		X				439,260.	NONE	36,157.
DONALD FRENCH DIRECTOR			X					NONE	NONE	NONE
KIRAN MEHTA DIRECTOR	3.	X						NONE	NONE	NONE
JANE SYPHER DIRECTOR	3.	X						NONE	NONE	NONE
KAREN OWENS DIRECTOR	3.	X						NONE	NONE	NONE
JOAN GELRUD VP	40.				X			163,059.	NONE	49,625.
MARY LOU WATSON VP NURSING	40.				X			189,373.	NONE	12,439.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008





SCHEDULE K  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

OMB No. 1545-0047

2008

Open to Public  
Inspection

Name of the organization: **COUNTY, INC.**  
 ST MARYS HOSPITAL OF ST MARYS  
 Employer identification number: **52-0619006**

**Part I Bond Issues (Required for 2008)**

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
						Yes	No	Yes	No
A MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	5742161R6	02/01/2009	16,000,000.	CONSTRUCTION HOSP ANNEX AND HOSP R		X		X
B									
C									
D									
E									

**Part II Proceeds (Optional for 2008)**

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Total proceeds of issue . . . . .		X								
2 Gross proceeds in reserve funds . . . . .										
3 Proceeds in refunding or defeasance escrows . . . . .										
4 Other unspent proceeds . . . . .										
5 Issuance costs from proceeds . . . . .										
6 Working capital expenditures from proceeds . . . . .										
7 Capital expenditures from proceeds . . . . .										
8 Year of substantial completion . . . . .										
9 Were the bonds issued as part of a current refunding issue?										
10 Were the bonds issued as part of an advance refunding issue? . . . . .		X								
11 Has the final allocation of proceeds been made? . . . . .		X								
12 Does the organization maintain adequate books and records to support the final allocation of proceeds? . . . . .		X								

**Part III Private Business Use (Optional for 2008)**

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

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2008

**Part III Private Business Use (Continued)**

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use? . . . . .		X								
b Are there any research agreements with respect to the financed property which may result in private business use? . . . . .		X								
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property? . . . . .		X								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government . . . . .		%		%		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government . . . . .		%		%		%		%		%
6 Total of lines 4 and 5 . . . . .		%		%		%		%		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities? . . . . .		X								

**Part IV Arbitrage (Optional for 2008)**

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue? . . . . .		X								
2 Is the bond issue a variable rate issue? . . . . .		X								
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records? . . . . .		X								
b Name of provider . . . . .										
c Term of hedge . . . . .										
4a Were gross proceeds invested in a GIC? . . . . .		X								
b Name of provider . . . . .										
c Term of GIC . . . . .										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? . . . . .										
5 Were any gross proceeds invested beyond an available temporary period? . . . . .		X								
6 Did the bond issue qualify for an exception to rebate? . . . . .		X								

**SCHEDULE O  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

Name of the organization  
COUNTY, INC.

ST MARYS HOSPITAL OF ST MARYS

Employer identification number  
52-0619006

DESCRIPTION OF 990 REVIEW PROCESS

PART VI, LINE 10

THE PROCESS FOR REVIEWING THE 990 WILL BE PERFORMED BY ST. MARY'S

HOSPITAL FINANCE DEPARTMENT, INCLUDING REVIEW BY: A STAFF ACCOUNTANT, THE

DIRECTOR OF FINANCE AND THE VICE PRESIDENT, FINANCE. THEN THE BOARD OF

DIRECTORS WILL REVIEW THE 990 IN THE FINANCE COMMITTEE MEETING BEFORE IT

IS FINALIZED AND SIGNED.

Name of the organization ST MARYS HOSPITAL OF ST MARYS COUNTY, INC.	Employer identification number 52-0619006
---	--

CONFLICTS OF INTEREST MONITORING AND ENFORCEMENT

PART VI, LINE 12C

EACH MANAGER AND ADMINISTRATOR IS REPOSNIBLE FOR COMPLIANCE IN HIS/HER AREA OF RESPONSIBILITY. A SIGNED STATEMENT INDICATING RECEIPT AND UNDERSTANDING OF THE POLICY IS REQUIRED OF ALL EMPLOYEES, OFFICERS AND DIRECTORS. THERE IS A CONFLICT OF INTEREST POLICY IN PLACE THAT IS SIGNED BY ALL EMPLOYEES, EVERY YEAR AND REVIEWED. EMPLOYEES AND OTHERS COVERED BY THIS POLICY SHOULD AVOID ANY SITUATION THAT INVOLVES OR MAY INVOLVE A CONFLICT BETWEEN THEIR PERSONAL INTEREST AND THE INTEREST OF ST. MARY'S HOSPITAL (SMH) AS WELL AS ITS PATIENTS AND THEIR FAMILIES. AS IN ALL OTHER FACETS OF THEIR DUTIES, THOSE COVERED BY THIS POLICY WHO DEAL WITH PATIENTS, FAMILIES, SUPPLIERS, CONTRACTORS, COMPETITORS---OR ANY PERSON DOING OR WHO SEEKS TO DO BUSINESS WITH THE HOSPITAL--ARE TO ACT IN THE BEST INTEREST OF THE HOSPITAL AND ITS PATIENTS. EACH PERSON COVERED BY THIS POLICY SHALL MAKE PROMPT AND FULL DISCLOSURE IN WRITING TO THE HIS/HER SUPERVISOR OF ANY POTENTIAL SITUATION THAT MAY INVOLVE A CONFLICT. THERE ARE NUMEROUS EXAMPLES OF CONFLICTS GIVEN WITHIN THE POLICY. ANY VIOLATION OF THE HOSPITAL'S POLICY MAY LEAD TO DISCIPLINARY ACTION UP TO AND INCLUDING TERMINATION. MOREOVER, THE HOSPITAL WILL COOPERATE WITH APPLICABLE LAW ENFORCEMENT AGENCIES AND LICENSING AUTHORITIES, AS APPROPRIATE, TO ENSURE THAT VIOLATIONS OF THIS POLICY ARE FULLY ENFORCED.

AT ALL BOARD MEETINGS INVOLVING DIRECTORS, THE MEETINGS ARE STARTED WITH A REVIEW OF THE AGENDA BEFORE REVIEWING ANY DETAILS TO DETERMINE IF ANYONE HAS ANY POTENTIAL CONFLICTS RELATING TO THE AGENDA. IF SO THEY ARE EXCUSED FROM THAT PART OF THE MEETING.



Name of the organization ST MARYS HOSPITAL OF ST MARYS COUNTY, INC.

Employer identification number 52-0619006

PROCESS FOR DETERMINING COMPENSATION

PART VI, LINES 15 A-B

THE ORGANIZATION HIRES AN OUTSIDE INDEPENDENT CONSULTANT TO DETERMINE THE COMPENSATION FOR THE HOSPITAL'S EXECUTIVES (VICE PRESIDENTS, CFO AND CEO/PRESIDENT.) COMPENSATION IS DETERMINED BY THE USE OF SURVEYS AND STUDIES, CONDUCTED BY THE INDEPENDENT CONSULTANTS. THE COMPENSATION COMMITTEE, CONSISTING OF THE BOARD OF DIRECTORS SELECTS THE INDEPENDENT CONSULTANTS. THE BOARD OF DIRECTORS APPROVES THE COMPENSATION AND WRITTEN COMPENSATION CONTRACTS ARE DONE AFTER THE APPROVALS.

Name of the organization ST MARYS HOSPITAL OF ST MARYS COUNTY, INC.

Employer identification number 52-0619006

DOCUMENT AVAILABILITY

PART VI LINE 19

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST

POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.





Name of the organization ST MARYS HOSPITAL OF ST MARYS COUNTY, INC.	Employer identification number 52-0619006
---	--

NOTE

AS OF SEPTEMBER 30, 2009, ST. MARY'S HOSPITAL BECAME A MEMBER OF MEDSTAR  
HEALTH. AT THAT TIME, DOCUMENT RETENTION AND JOINT VENTURE POLICIES WERE  
PUT IN PLACE.





**Part V Transactions With Related Organizations**

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

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

	Yes	No
<b>a</b> Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity		X
<b>b</b> Gift, grant, or capital contribution to other organization(s)		X
<b>c</b> Gift, grant, or capital contribution from other organization(s)	X	
<b>d</b> Loans or loan guarantees to or for other organization(s)		X
<b>e</b> Loans or loan guarantees by other organization(s)		X
<b>f</b> Sale of assets to other organization(s)		X
<b>g</b> Purchase of assets from other organization(s)		X
<b>h</b> Exchange of assets		X
<b>i</b> Lease of facilities, equipment, or other assets to other organization(s)		X
<b>j</b> Lease of facilities, equipment, or other assets from other organization(s)		X
<b>k</b> Performance of services or membership or fundraising solicitations for other organization(s)		X
<b>l</b> Performance of services or membership or fundraising solicitations by other organization(s)		X
<b>m</b> Sharing of facilities, equipment, mailing lists, or other assets		X
<b>n</b> Sharing of paid employees		X
<b>o</b> Reimbursement paid to other organization for expenses		X
<b>p</b> Reimbursement paid by other organization for expenses		X
<b>q</b> Other transfer of cash or property to other organization(s)		X
<b>r</b> Other transfer of cash or property from other organization(s)		X

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1) HOSPICE OF ST MARYS INC	0-R	925,827.
(2)		
(3)		
(4)		
(5)		
(6)		



FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

DESCRIPTION	GRANTS	EXPENSES	REVENUE
SERVING THE COMMUNITY SINCE 1912, ST MARY'S HOSPITAL HAS BEEN RECOGNIZED FOR EXCELLENCE IN QUALITY IMPROVEMENT BY THE DELMARVA FOUNDATION IN 2008 AND 2009. CENTERS OF EXCELLENCE INCLUDE BEHAVIORAL HEALTH, DIABETES MANAGEMENT, EMERGENCY/ URGENT CARE, HOSPICE, ONCOLOGY, ORTHOPEDICS, RADIOLOGY, COMMUNITY WELLNESS AND WOMEN'S SERVICES. IN FISCAL YEAR 2009, ST MARY'S HOSPITAL HAD 10,954 INPATIENT ADMISSIONS, 34,983 OUTPATIENT VISITS, AND 48,259 EMERGENCY VISITS. THE TOTAL PATIENTS RECEIVING MEDICAL SERVICES WERE APPROXIMATELY 142,455. IN ADDITION TO PROVIDING MEDICAL SERVICES, EDUCATIONAL OPPORTUNITIES WERE PROVIDED TO 1,021 PARTICIPANTS FROM THE MEDICAL COMMUNITY AT A COST OF APPROXIMATELY \$60,460. DONATIONS OF \$117,271 WERE MADE TO THE COMMUNITY. THE HOSPITAL PROVIDED \$8,920,595 IN CHARITY AND UNCOMPENSATED CARE. ST. MARY'S HOSPITAL HAS A PROGRAM, OPEN TO ALL PATIENTS FOR REDUCED CHARGES OR CHARITY CARE.		98,558,257.	114,490,165.
SCHOARSHIPS AND ADJUSTMENTS FOR RENTAL EXPENSES AND K-1 MARYLAND ECARE LOSS	236,355.	124,475.	
TOTALS	236,355.	98,682,732.	114,490,165.

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS  
 =====

NAME AND ADDRESS -----	DESCRIPTION OF SERVICES	COMPENSATION -----
TWIN CONTRACTING CORPORATION 5700 H GENERAL WASHINGTON DR ALEXANDRIA, VA 22312	CONSTRUCTION	1,022,992.
COMPHEALTH PO BOX 972651 DALLAS, TX 75397	STAFFING	395,887.
W M DAVIS INC PO BOX 1210 LEONARDTOWN, MD 20650	CONSTRUCTION	2,002,452.
MEDICAL EMERGENCY PROFESSIONALS LLC PO BOX 742528 DALLAS, TX 75374	PHYSICIAN STAFFING	323,168.
GOODMAN ASSOCIATES 912 COMMERCE RD ANNAPOLIS, MD 21401	ARCHITECTURAL	315,266.
	TOTAL COMPENSATION	----- 4,059,765. =====



ST MARYS HOSPITAL OF ST MARYS

52-0619006

FORM 990, PART VIII - INVESTMENT INCOME

DESCRIPTION	(A) TOTAL REVENUE	(B) RELATED OR EXEMPT REVENUE	(C) UNRELATED BUSINESS REV.	(D) EXCLUDED REVENUE
INTEREST INCOME	377,341.			377,341.
K-1 CHESAPEAKE POTOMAC HEALTHCARE ALLIANCE	346,112.			346,112.
TOTALS	723,453.			723,453.



SUPPLEMENT TO RENT AND ROYALTY SCHEDULE  
=====

OTHER DEDUCTIONS

PURCHASED SERVICES	7,105.
PM UNDER CONTRACT	27,449.
PM NO CONTRACT	12,488.
	-----
	47,042.
	=====

RENT AND ROYALTY SUMMARY

<u>PROPERTY</u>	<u>TOTAL INCOME</u>	<u>DEPLETION/ DEPRECIATION</u>	<u>OTHER EXPENSES</u>	<u>ALLOWABLE NET INCOME</u>
374 AND 375 NORTH CO	117,283.	748.	135,767.	-19,232.
TOTALS	<u>117,283.</u>	<u>748.</u>	<u>135,767.</u>	<u>-19,232.</u>

FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS

=====

DESCRIPTION	AMOUNT
-----	-----
GOLF TOURNAMENT	18,456.
TOTAL	----- 18,456. =====

FORM 990, PART VIII - FUNDRAISING EVENTS

DESCRIPTION	GROSS INCOME	DIRECT EXPENSES	NET INCOME
GOLF TOURNAMENT	4,529.	7,412.	-2,883.
TOTALS	4,529.	7,412.	-2,883.

FORM 990, PART VIII - GAMING ACTIVITIES

DESCRIPTION	GROSS INCOME	DIRECT EXPENSES	NET INCOME
BINGO	123,855.		123,855.
TOTALS	123,855.		123,855.

FORM 990, PART X - NOTES AND LOANS RECEIVABLE

BORROWER:	SO MD WOMENS	
BEGINNING BALANCE DUE .....		118,131.
ENDING BALANCE DUE .....		32,567.
		-----

BORROWER:	ST MARYS MED	
BEGINNING BALANCE DUE .....		112,500.
ENDING BALANCE DUE .....		8,004.
		-----

BORROWER:	JAYARAMAN MED	
BEGINNING BALANCE DUE .....		177,956.
ENDING BALANCE DUE .....		106,814.
		-----

BORROWER:	THE BENNER MED	
BEGINNING BALANCE DUE .....		113,341.
ENDING BALANCE DUE .....		487,880.
		-----

BORROWER:	DR MOON DR MERATEE	
BEGINNING BALANCE DUE .....		NONE
ENDING BALANCE DUE .....		74,545.
		-----

BORROWER:	DR FANOUS	
BEGINNING BALANCE DUE .....		NONE
ENDING BALANCE DUE .....		180,949.
		-----

TOTAL BEGINNING NOTES AND LOANS RECEIVABLE		521,928.
		=====

TOTAL ENDING NOTES AND LOANS RECEIVABLES		890,759.
		=====



FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES  
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
PREPAID EXPENSES	802,046. -----
TOTALS	802,046. =====

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

=====

DESCRIPTION -----	ENDING BOOK VALUE -----	COST OR FMV -----
BANK OF AMERICA MONEY MKT FUND	18,551,309.	FMV
CHEVY CHASE TRUST US GOVT BOND	2,053,456.	FMV
	-----	
TOTALS	20,604,765.	
	=====	

FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE  
=====

LENDER: ROBERT MATTINGLY  
 ORIGINAL AMOUNT: 195,000.  
 INTEREST RATE: 6.000000  
 DATE OF NOTE: 05/09/2001  
 MATURITY DATE: 05/09/2016

BEGINNING BALANCE DUE .....	124,197.
ENDING BALANCE DUE .....	111,559.

---

LENDER: ALFRED AND JOAN MATTINGLY  
 ORIGINAL AMOUNT: 532,115.  
 INTEREST RATE: 6.000000  
 DATE OF NOTE: 05/10/2001  
 MATURITY DATE: 05/10/2016

BEGINNING BALANCE DUE .....	338,908.
ENDING BALANCE DUE .....	304,421.

---

LENDER: HELEN MATTINGLY  
 ORIGINAL AMOUNT: 532,115.  
 INTEREST RATE: 6.000000  
 DATE OF NOTE: 05/10/2001  
 MATURITY DATE: 05/10/2016

BEGINNING BALANCE DUE .....	338,908.
ENDING BALANCE DUE .....	304,421.

---

LENDER: MHHEFA NATIONAL CITY LOAN  
 INTEREST RATE: 4.370000  
 DATE OF NOTE: 12/12/2006  
 SECURITY PROVIDED: LEASED EQUIPMENT

BEGINNING BALANCE DUE .....	5,678,396.
ENDING BALANCE DUE .....	4,647,465.

---

LENDER: MHHEFA NATIONAL CITY LOAN  
 INTEREST RATE: 4.430000  
 DATE OF NOTE: 12/12/2006  
 SECURITY PROVIDED: LEASED EQUIPMENT

BEGINNING BALANCE DUE .....	931,355.
ENDING BALANCE DUE .....	829,980.
	-----

LENDER: MHHEFA  
 ORIGINAL AMOUNT: 5,000,000.  
 DATE OF NOTE: 01/01/2001  
 MATURITY DATE: 07/01/2008  
 SECURITY PROVIDED: MORTGAGE ON REAL PROP AND LEASEHOLD INTERESTS

BEGINNING BALANCE DUE .....	410,000.
ENDING BALANCE DUE .....	NONE
	-----

TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	7,821,764.
	=====

TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	6,197,846.
	=====



**Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255**  
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A			
B			
C			
D			
<b>These columns relate to the properties on lines 19A through 19D. ▶</b>		<b>Property A</b>	<b>Property B</b>
20 Gross sales price (Note: See line 1 before completing.)	20		
21 Cost or other basis plus expense of sale . . . . .	21		
22 Depreciation (or depletion) allowed or allowable . . . . .	22		
23 Adjusted basis. Subtract line 22 from line 21 . . . . .	23		
24 Total gain. Subtract line 23 from line 20 . . . . .	24		
<b>25 If section 1245 property:</b>			
a Depreciation allowed or allowable from line 22 . . . . .	25a		
b Enter the smaller of line 24 or 25a . . . . .	25b		
<b>26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.</b>			
a Additional depreciation after 1975 (see instructions) . . . . .	26a		
b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions). . . . .	26b		
c Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e. . . . .	26c		
d Additional depreciation after 1969 and before 1976 . . . . .	26d		
e Enter the smaller of line 26c or 26d . . . . .	26e		
f Section 291 amount (corporations only) . . . . .	26f		
g Add lines 26b, 26e, and 26f . . . . .	26g		
<b>27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).</b>			
a Soil, water, and land clearing expenses . . . . .	27a		
b Line 27a multiplied by applicable percentage (see instructions) . . . . .	27b		
c Enter the smaller of line 24 or 27b . . . . .	27c		
<b>28 If section 1254 property:</b>			
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions) . . . . .	28a		
b Enter the smaller of line 24 or 28a . . . . .	28b		
<b>29 If section 1255 property:</b>			
a Applicable percentage of payments excluded from income under section 126 (see instructions) . . . . .	29a		
b Enter the smaller of line 24 or 29a (see instructions) . . . . .	29b		

**Summary of Part III Gains.** Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties. Add property columns A through D, line 24 . . . . .	30	
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13 . . . . .	31	
32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 39. Enter the portion from other than casualty or theft on Form 4797, line 6 . . . . .	32	

**Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less**  
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years . . . . .	33	
34 Recomputed depreciation (see instructions) . . . . .	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report . . . . .	35	



## ESTIMATED TAX WORKSHEET FOR FORM 990-W

A. 2009 Estimated Tax		A	
B. Enter 100 % of Line A	B		
C. Enter 100 % of tax on 2008 FORM 990-T	C	31,163.	
D. Required Annual Payment (Smaller of lines B or C)		D	31,163.
E. Income tax withheld (if applicable)		E	
F. Balance (As rounded to the nearest multiple of )		F	31,164.

**Record of Estimated Tax Payments**

Payment number	(a) Date	(b) Amount	(c) 2008 overpayment credit applied	(d) Total amount paid and credited (add (b) and (c))
1	10/16/2009	7,791.		7,791.
2	12/15/2009	7,791.		7,791.
3	03/15/2010	7,791.		7,791.
4	06/15/2010	7,791.		7,791.
<b>Total</b>		31,164.		31,164.

ESTIMATED PAYMENTS MUST BE MADE USING EITHER THE ELECTRONIC FEDERAL TAX PAYMENTS SYSTEM (EFTPS) OF IF ALLOWABLE, FEDERAL TAX DEPOSIT COUPONS (FORM 8109). THIS WORKSHEET MERELY PROVIDES THE AMOUNTS WHICH NEED TO BE PAID VIA ONE OF THE ABOVE METHODS.