

COMMITTEE ON NATURAL RESOURCES
Disclosure Form
As required by and provided for in House Rule XI, clause 2(g) and
the Rules of the Committee on Natural Resources

*[H.R. 850 Lower St. Croix Wild and Scenic River
Wednesday, May 4th 2011]*

For Individuals:

1. Name: Curt J. Geissler
2. Address: [Information redacted for privacy]
3. Email Address: [Information redacted for privacy]
4. Phone Number: [Information redacted for privacy]

* * * * *

For Witnesses Representing Organizations:

1. Name: Curtis Geissler
2. Name of Organization(s) You are Representing at the Hearing:
Lakeview Health Lakeview Emergency Medical Service
Lakeview Hospital Lakeview Hospital Homecare and Hospice
Stillwater Medical Group Lakeview Foundation
3. Business Address:
927 West Churchill Street West Stillwater MN 55082
4. Business Email Address:
[Information redacted for privacy]
5. Business Phone Number:
651.430.4648

Name/Organization _____

Title/Date of Hearing _____

a. Any training or educational certificates, diplomas or degrees or other educational experiences that are relevant to your qualifications to testify on or knowledge of the subject matter of the hearing.

None.

b. Any professional licenses, certifications, or affiliations held that are relevant to your qualifications to testify on or knowledge of the subject matter of the hearing.

None.

c. Any employment, occupation, ownership in a firm or business, or work-related experiences that relate to your qualifications to testify on or knowledge of the subject matter of the hearing.

None.

d. Any federal grants or contracts (including subgrants or subcontracts) from the *Department of the Interior (and /or other agencies invited)* that you have received in the current year and previous four years, including the source and the amount of each grant or contract.

None.

e. A list of all lawsuits or petitions filed by you against the federal government in the current year and the previous four years, giving the name of the lawsuit or petition, the subject matter of the lawsuit or petition, and the federal statutes under which the lawsuits or petitions were filed.

None.

f. Any other information you wish to convey that might aid the Members of the Committee to better understand the context of your testimony.

Former Board Chair Greater Stillwater Area Chamber of Commerce 2006-2009

Name/Organization _____
Title/Date of Hearing _____

In addition, for witnesses representing organizations:

g. Any offices, elected positions, or representational capacity held in the organization(s) on whose behalf you are testifying.

President, Lakeview Hospital

h. Any federal grants or contracts (including subgrants or subcontracts) from the Department of the Interior (and /or other agencies invited) that were received in the current year and previous four years by the organization(s) you represent at this hearing, including the source and amount of each grant or contract for each of the organization(s).

None.

i. A list of all lawsuits or petitions filed by the organization(s) you represent at the hearing against the federal government in the current year and the previous four years, giving the name of the lawsuit or petition, the subject matter of the lawsuit or petition, and the federal statutes under which the lawsuits or petitions were filed for each of the organization(s).

None.

j. A list of any countries from which the organization(s) you represent at the hearing have received foreign donations and the total amount of donations received from each country, for the current year and the previous four years, by each organization.

None.

k. For tax-exempt organizations and non-profit organizations, copies of the three most recent public IRS Form 990s (including Form 990-PF, Form 990-N, and Form 990-EZ) for each of the organization(s) you represent at the hearing (not including any contributor names and addresses or any information withheld from public inspection by the Secretary of the Treasury under 26 U.S.C. 6104)).

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission: TO DELIVER SUPERIOR QUALITY SERVICE IN COOPERATION WITH OTHERS TO MEET THE DIVERSE HEALTHCARE NEEDS OF INDIVIDUALS, FAMILIES AND COMMUNITIES OF THE ST. CROIX VALLEY.

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

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

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 77872994 . including grants of \$ 6,514,530 .) (Revenue \$ 85061849 .) PROVIDED ROUTINE AND EMERGENCY HEALTHCARE SERVICES TO THE COMMUNITY AND SURROUNDING AREA, AND PROVIDED FOR THE PHYSICAL, EMOTIONAL AND SPIRITUAL NEEDS OF ITS PATIENTS. APPROXIMATELY \$421,000 WAS FORGIVEN ON EXPENSES BY THE HOSPITAL FOR CHARITY CARE SERVICES.

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

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

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

4e Total program service expenses \$ 77,872,994 . (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Contains 27 rows of questions regarding organizational reporting requirements, such as 'Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)?' and '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?'

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)? If "Yes," complete Schedule L, Part IV ~~~~~		X
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV ~~~~~		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? If "Yes," complete Schedule L, Part IV ~~~~~		X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M ~~~~~		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M ~~~~~		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I ~~~~~		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II ~~~~~		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I ~~~~~		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 ~~~~~	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 ~~~~~		X
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 ~~~~~		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? If "Yes," complete Schedule R, Part VI ~~~~~		X

Form 990 (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question number, question text, and Yes/No columns. Includes rows for Form 1096, Form W-2G, Form W-3, Form 990-T, Form 8886-T, Form 8899, Form 1098-C, Form 990 in lieu of Form 1041, and Form 990 interest.

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, processes, or changes in Schedule O. See instructions.

Table with 11 rows of questions and 3 columns: Question, Yes, No. Includes questions about voting members, family relationships, management control, organizational changes, asset diversion, members, and meeting documentation.

Section B. Policies

Table with 12 rows of questions and 3 columns: Question, Yes, No. Includes questions about conflict of interest policy, whistleblower policy, document retention, compensation review, and joint venture arrangements.

Section C. Disclosure

Table with 3 rows of disclosure questions and 2 columns: Question, Answer. Includes questions about state filing requirements, public inspection of forms, and availability of governing documents.

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and current key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(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			
PETER CLEMENTS CHAIR	2.00	X		X			0.	0.	0.	
ARBA-DELLA BECK SECRETARY	2.00	X		X			0.	0.	0.	
BRUCE BARTIE, D.O. BOARD MEMBER	1.00	X					0.	0.	0.	
KEVIN BJORK, MD BOARD MEMBER	1.00	X					0.	419,231.	17,027.	
REBECCA BILLINGSLEY BOARD MEMBER	1.00	X					0.	0.	0.	
JIM BRADSHAW BOARD MEMBER	1.00	X					0.	0.	0.	
PHIL DONALDSON BOARD MEMBER	2.00	X					0.	0.	0.	
RON PHILLIPPO BOARD MEMBER	1.00	X					0.	0.	0.	
DAVID REAMER BOARD MEMBER	1.00	X					0.	0.	0.	
JIM SCHUG BOARD MEMBER	1.00	X					0.	0.	0.	
DOUGLAS E. JOHNSON CFO & TREASURER	60.00			X			248,937.	0.	56,938.	
JEFFREY J. ROBERTSON CEO	60.00			X			403,387.	0.	84,611.	
CURT GEISSLER PRESIDENT	60.00			X			318,493.	0.	64,889.	
MARY E JONES RN	40.00					X	183,124.	0.	0.	
JEFFREY MAANUM LEAD ULTRASOUND TECH.	40.00					X	164,038.	0.	0.	
CYNTHIA APPLESETH MANAGER, PHARMACY	40.00					X	140,237.	0.	0.	
JANICE ARKELL RN	40.00					X	131,339.	0.	0.	

Part VIII		Statement of Revenue		(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	1 a	Federated campaigns ~~~~~	1a					
	b	Membership dues ~~~~~	1b					
	c	Fundraising events ~~~~~	1c					
	d	Related organizations ~~~~~	1d	2,857,998.				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above ~~~	1f					
	g	Noncash contributions included in lines 1a-1f: \$						
	h	Total. Add lines 1a-1f		2857998.				
Program Service Revenue	2 a	NET PATIENT SERVICE	Business Code 621500	90,309,347.	85,061,849.	5,247,498.		
	b							
	c							
	d							
	e							
	f	All other program service revenue ~~~~~						
	g	Total. Add lines 2a-2f		90,309,347.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ~~~~~		15,861.			15,861.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents ~~~~~	(i) Real	75,020.				
			(ii) Personal					
	b	Less: rental expenses ~~~						
	c	Rental income or (loss) ~~~		75,020.				
	d	Net rental income or (loss)		75,020.			75,020.	
	7 a	Gross amount from sales of assets other than inventory	(i) Securities					
			(ii) Other	4,756.				
	b	Less: cost or other basis and sales expenses ~~~		108868.				
	c	Gain or (loss) ~~~~~		-104,112.				
	d	Net gain or (loss)		-104,112.			-104,112.	
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 ~~~~~	a					
b	Less: direct expenses ~~~~~	b						
c	Net income or (loss) from fundraising events							
9 a	Gross income from gaming activities. See Part IV, line 19 ~~~~~	a						
b	Less: direct expenses ~~~~~	b						
c	Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances ~~~~~	a						
b	Less: cost of goods sold ~~~~~	b						
c	Net income or (loss) from sales of inventory							
Miscellaneous Revenue		Business Code						
11 a	RETAIL PHARMACY	446110		4230749.		4,230,749.		
b	JOINT VENTURES	900099		289,560.			289,560.	
c	OTHER INCOME	900099		211,493.		38,716.	172,777.	
d	All other revenue ~~~~~							
e	Total. Add lines 11a-11d			4731802.				
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			97,885,916.	85,061,849.	9,516,963.	449,106.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
 All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 ~ ~ ~	6,514,530.	6,514,530.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 ~ ~ ~ ~ ~ ~ ~ ~ ~				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 ~ ~ ~ ~ ~ ~ ~ ~ ~				
4 Benefits paid to or for members ~ ~ ~ ~ ~ ~ ~ ~ ~				
5 Compensation of current officers, directors, trustees, and key employees ~ ~ ~ ~ ~ ~ ~ ~ ~	432,071.		432,071.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) ~ ~ ~				
7 Other salaries and wages ~ ~ ~ ~ ~ ~ ~ ~ ~	33,280,697.	27,966,238.	5,314,459.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) ~ ~ ~	2,207,253.		2,207,253.	
9 Other employee benefits ~ ~ ~ ~ ~ ~ ~ ~ ~	5,009,466.	1,659,296.	3,350,170.	
10 Payroll taxes ~ ~ ~ ~ ~ ~ ~ ~ ~	2,432,131.	2,123,945.	308,186.	
11 Fees for services (non-employees):				
a Management ~ ~ ~ ~ ~ ~ ~ ~ ~				
b Legal ~ ~ ~ ~ ~ ~ ~ ~ ~	98,387.		98,387.	
c Accounting ~ ~ ~ ~ ~ ~ ~ ~ ~	89,092.		89,092.	
d Lobbying ~ ~ ~ ~ ~ ~ ~ ~ ~				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees ~ ~ ~ ~ ~ ~ ~ ~ ~				
g Other ~ ~ ~ ~ ~ ~ ~ ~ ~	7,995,401.	5,688,208.	2,307,193.	
12 Advertising and promotion ~ ~ ~ ~ ~ ~ ~ ~ ~	343,592.	12,710.	330,882.	
13 Office expenses ~ ~ ~ ~ ~ ~ ~ ~ ~	25,197,260.	24,381,017.	816,243.	
14 Information technology ~ ~ ~ ~ ~ ~ ~ ~ ~	4,351.		4,351.	
15 Royalties ~ ~ ~ ~ ~ ~ ~ ~ ~				
16 Occupancy ~ ~ ~ ~ ~ ~ ~ ~ ~	678,821.	2,645.	676,176.	
17 Travel ~ ~ ~ ~ ~ ~ ~ ~ ~	347,013.	314,422.	32,591.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings ~ ~ ~				
20 Interest ~ ~ ~ ~ ~ ~ ~ ~ ~				
21 Payments to affiliates ~ ~ ~ ~ ~ ~ ~ ~ ~				
22 Depreciation, depletion, and amortization ~ ~ ~	3,498,774.	3,498,774.		
23 Insurance ~ ~ ~ ~ ~ ~ ~ ~ ~	3,136.	3,136.		
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 EQUIPMENT MAINTENANCE	2,265,591.	1,807,371.	458,220.	
b BAD DEBT	1,972,568.	1,972,568.		
c OVERHEAD ALLOCATION	1,766,013.	1,766,013.		
d COMMUNITY SERVICE	453,785.		453,785.	
e OTHER EXPENSE	305,268.	162,121.	143,147.	
f All other expenses _____				
25 Total functional expenses. Add lines 1 through 24f	94,895,200.	77,872,994.	17,022,206.	0.
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) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing ~~~~~	11,554,532.	1	18,561,483.
	2 Savings and temporary cash investments ~~~~~	268,446.	2	231,496.
	3 Pledges and grants receivable, net ~~~~~		3	
	4 Accounts receivable, net ~~~~~	10,846,636.	4	9,737,424.
	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 ~~~~~		7	
	8 Inventories for sale or use ~~~~~	1,738,601.	8	1,885,478.
	9 Prepaid expenses and deferred charges ~~~~~	765,678.	9	801,140.
	10a Land, buildings, and equipment: cost basis ~~~~~	10a 65,137,797.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D ~~~~~	10b 39,674,053.		
		27,771,177.	10c	25,463,744.
	11 Investments - publicly traded securities ~~~~~		11	
	12 Investments - other securities. See Part IV, line 11 ~~~~~		12	
	13 Investments - program-related. See Part IV, line 11 ~~~~~	1,586,730.	13	1,066,890.
	14 Intangible assets ~~~~~		14	
15 Other assets. See Part IV, line 11 ~~~~~	837,332.	15	514,949.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	55,369,132.	16	58,262,604.	
Liabilities	17 Accounts payable and accrued expenses ~~~~~	6,100,039.	17	6,276,006.
	18 Grants payable ~~~~~		18	
	19 Deferred revenue ~~~~~		19	
	20 Tax-exempt bond liabilities ~~~~~		20	
	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 ~~~~~		23	
	24 Unsecured notes and loans payable ~~~~~		24	
	25 Other liabilities. Complete Part X of Schedule D ~~~~~	7,435,085.	25	16,723,098.
	26 Total liabilities. Add lines 17 through 25	13,535,124.	26	22,999,104.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> ☑ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets ~~~~~	41,293,226.	27	34,765,524.
	28 Temporarily restricted net assets ~~~~~	540,782.	28	497,976.
	29 Permanently restricted net assets ~~~~~		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> ☑ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds ~~~~~		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund ~~~~~		31	
	32 Retained earnings, endowment, accumulated income, or other funds ~~~~~		32	
33 Total net assets or fund balances ~~~~~	41,834,008.	33	35,263,500.	
34 Total liabilities and net assets/fund balances	55,369,132.	34	58,262,604.	

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input checked="" 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?		

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization: LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. Employer identification number: 41-0811697

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

- The organization is not a private foundation because it is: (Please check only one organization.)
- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
 - 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
 - 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii). (Attach Schedule H.)
 - 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
 - 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
 - 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
 - 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
 - 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
 - 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete the Part III.)
 - 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4). (see instructions)
 - 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Other
 - e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
 - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
 - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
11g(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? _____		
11g(ii) A family member of a person described in (i) above? _____		
11g(iii) A 35% controlled entity of a person described in (i) or (ii) above? _____		
 - h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

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

Section A. Public Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 - 3; 5 The portion of total contributions by each person; 6 Public Support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 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; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 13 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

Table with 3 columns: Description, Percentage, and % symbol. Rows include: 14 Public support percentage for 2008; 15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f; 16a 33 1/3% support test - 2008; 16b 33 1/3% support test - 2007; 17a 10% -facts-and-circumstances test - 2008; 17b 10% -facts-and-circumstances test - 2007; 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.

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

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

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

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

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).

LHA 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 LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.	Employer identification number 41-0811697
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	LAKEVIEW MEMORIAL HOSPITAL FOUNDATION 927 WEST CHURCHILL STREET STILLWATER, MN 55082	\$ 75,142.	Person <input checked="" type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	STILLWATER HEALTH SYSTEM 927 WEST CHURCHILL STREET STILLWATER, MN 55082	\$ 2,765,356.	Person <input checked="" type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	ST. CROIX VALLEY HEALTH AND CARE RESEARCH FOUNDATION 1500 CURVE CREST BOULEVARD STILLWATER, MN 55082	\$ 17,500.	Person <input checked="" type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of the organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. Employer identification number 41-0811697

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.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and donor notification questions.

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

Table with 2 columns: Question, Held at the End of the Year. Rows include purpose of easements, number of easements, acreage, and monitoring details.

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.

Table with 2 columns: Question, Amount. Rows include reporting requirements for art and historical treasures.

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 ~~~~~ | 1c |
| d Additions during the year ~~~~~ | 1d |
| e Distributions during the year ~~~~~ | 1e |
| f Ending balance ~~~~~ | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? ~~~~~ Yes No
- b If "Yes," explain the arrangement in Part XIV.

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

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

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment _____%
 - b Permanent endowment _____%
 - c Term endowment _____%
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|-----------------------------------|--------|----|
| (i) unrelated organizations ~~~~~ | 3a(i) | |
| (ii) related organizations ~~~~~ | 3a(ii) | |
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? ~~~~~ Yes No

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land ~~~~~		2,532,354.		2,532,354.
b Buildings ~~~~~		36,957,192.	20,088,786.	16,868,406.
c Leasehold improvements ~~~~~		272,744.	243,340.	29,404.
d Equipment ~~~~~		24,543,936.	19,341,927.	5,202,009.
e Other		831,571.		831,571.
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				25,463,744.

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.

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization **LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.** Employer identification number **41-0811697**

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

	Yes	No
1a Does the organization have a charity care policy? If "No," skip to question 6a ~~~~~	X	
b If "Yes," is it a written policy? ~~~~~	X	
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 checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Applied uniformly to most hospitals <input type="checkbox"/> Generally tailored to individual hospitals		
3 Answer the following based on the 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 checked="" type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____%	X	
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 checked="" type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____%	X	
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"? ~~~~~	X	
5a Does the organization budget amounts for free or discounted care provided under its charity care policy? ~~~~~	X	
b If "Yes," did the organization's charity care expenses exceed the budgeted amount? ~~~~~	X	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? ~~~~~		X
6a Does the organization prepare an annual community benefit report? ~~~~~	X	
b If "Yes," does the organization make it available to the public? ~~~~~	X	

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

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) ~~~~~			420,918.		420,918.	.45%
b Unreimbursed Medicaid (from Worksheet 3, column a) ~~~~~			1,670,679.		1,670,679.	1.80%
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b) ~~~~~						
d Total Charity Care and Means-Tested Government Programs			2,091,597.		2,091,597.	2.25%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4) ~~~~~			85,209.		85,209.	.09%
f Health professions education (from Worksheet 5) ~~~~~			34,778.		34,778.	.04%
g Subsidized health services (from Worksheet 6) ~~~~~			3,429,479.		3,429,479.	3.69%
h Research (from Worksheet 7) ~~~~~						
i Cash and in-kind contributions to community groups (from Worksheet 8) ~~~~~			250,433.		250,433.	.27%
j Total Other Benefits ~~~~~			3,799,899.		3,799,899.	4.09%
k Total (line 7d and 7j)			5,891,496.		5,891,496.	6.34%

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? ~~~~~	X	
2 Enter the amount of the organization's bad debt expense (at cost) ~~~~~		
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 ~~~~~		
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	21,055,818.
6 Enter Medicare allowable costs of care relating to payments on line 5 ~~~~~	6	27,206,495.
7 Enter line 5 less line 6 - surplus or (shortfall) ~~~~~	7	-6,150,677.
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 checked="" type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a Does the organization have a written debt collection policy? ~~~~~	9a	X	
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	X	

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 HIGH POINTE SURGERY				
2 CENTER	O/P SURGERY CENTER	30.00%		70.00%
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

Part VI Supplemental Information (Optional for 2008)

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves.
- 3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy.
- 4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Community building activities. Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 7: IN COLUMN F, WHEN CALCULATING CHARITY-CARE AND MEANS-TESTED GOVERNMENT PROGRAMS AS A PERCENTAGE OF TOTAL EXPENSES, THE HOSPITAL ELIMINATED \$1,972,568 OF BAD DEBT EXPENSE.

PART III, LINE 4: THE BAD DEBT EXPENSE IS THE UNCOLLECTIBLE PORTION OF ALL PATIENT BALANCES WRITTEN OFF DURING THE FISCAL YEAR.

FROM NOTE 1 TO THE FINANCIAL STATEMENTS ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS THE HOSPITAL PROVIDES AN ALLOWANCE FOR UNCOLLECTIBLE SELF-PAY AND MISCELLANEOUS COMMERCIAL INSURANCE ACCOUNTS. PATIENTS ARE NOT REQUIRED TO PROVIDE COLLATERAL FOR SERVICES RENDERED. PAYMENT FOR SERVICES IS REQUIRED UPON RECEIPT OF AN INVOICE, AFTER PAYMENT BY INSURANCE, IF ANY. SELF-PAY ACCOUNTS ARE ANALYZED FOR COLLECTIBILITY BASED ON THE MONTHS PAST DUE AND PAYMENT HISTORY. AN ALLOWANCE IS ESTIMATED FOR THESE ACCOUNTS BASED ON THE HISTORICAL EXPERIENCE OF THE HOSPITAL. ACCOUNTS THAT ARE DETERMINED TO BE UNCOLLECTIBLE ARE SENT TO A COLLECTION AGENCY AND WRITTEN OFF AT THE TIME.

PART III, LINE 8: THE MEDICARE SHORT-FALL SHOULD BE TREATED AS COMMUNITY BENEFIT BECAUSE:

- 1. IT PROVIDES SERVICES TO A SIGNIFICANT PORTION OF OUR SERVICE POPULATION

Part VI Supplemental Information (Optional for 2008)

AT A NEGATIVE MARGIN.

2. THE HOSPITAL WOULD DISCONTINUE PROVIDING THIS SERVICE IF THE DECISION WERE BASED STRICTLY ON A FINANCIAL BASIS.

3. THERE IS A COMMUNITY NEED TO PROVIDE SERVICES LOCALLY.

4. IF THE HOSPITAL DID NOT PROVIDE THESE SERVICES, THEY WOULD BECOME THE OBLIGATION OF THE GOVERNMENT.

THE HOSPITAL USES AN INTERNALLY CALCULATED COST-TO-CHARGE RATIO TO CALCULATE MEDICARE ALLOWABLE COSTS.

PART III, LINE 9B: IF A PATIENT WAS NOT IDENTIFIED AS A POTENTIAL CHARITY CARE CANDIDATE UPON REGISTRATION, THE FIRST COLLECTIONS CONTACT IS WITH THE HOSPITAL'S INTERNAL BUSINESS STAFF, WHO INTERVIEW THE PATIENT AND DETERMINE IF THE PATIENT IS A CANDIDATE FOR CHARITY CARE. IF THE PAPERWORK IS COMPLETED AND THEY DO QUALIFY FOR CHARITY CARE, THERE IS NO FURTHER COLLECTION ACTIVITY. HOWEVER, IF THE PAPERWORK IS NOT COMPLETED, OR IS COMPLETED AND THEY DO NOT MEET THE CRITERIA, THEY ARE SUBJECT TO FURTHER COLLECTION ACTIVITY. THIS FIRST OCCURS INTERNALLY THROUGH HOSPITAL STAFF. IF INTERNAL ATTEMPTS ARE UNSUCCESSFUL, THIS SUBSEQUENTLY OCCURS THROUGH OUTSIDE COLLECTION AGENCIES.

PART VI, LINE 2: LAKEVIEW IS AN ACTIVE PARTICIPANT IN COMMUNITY AND COUNTY GOVERNMENT TASK FORCES ON HEALTH NEEDS ASSESSMENT AND HEALTH SERVICES PLANNING AND COORDINATION.

PART VI, LINE 3: FOR LAKEVIEW HOSPITAL PATIENTS: EACH PATIENT BILLING STATEMENT AND COLLECTIONS LETTER PRODUCED BY LAKEVIEW INCLUDES THE FOLLOWING NOTICE: FINANCIAL ASSISTANCE AND PAYMENT ARRANGEMENTS: LAKEVIEW

Part VI Supplemental Information (Optional for 2008)

HOSPITAL OFFERS FINANCIAL ASSISTANCE TO PATIENTS EXPERIENCING DIFFICULTY PAYING THEIR MEDICAL BILLS. IF YOU ARE INSURED AND ARE EXPERIENCING DIFFICULTY PAYING THE BALANCE OF YOUR MEDICAL BILL, PLEASE CONTACT OUR BUSINESS OFFICE FOR MORE INFORMATION ABOUT SETTING UP A PAYMENT PLAN OR ABOUT OUR CHARITY CARE PROGRAM. IF YOU ARE UNINSURED AND YOUR ANNUAL HOUSEHOLD INCOME IS LESS THAN \$125,000, PLEASE CONTACT OUR BUSINESS OFFICE FOR INFORMATION ON OUR UNINSURED DISCOUNT PROGRAM, SETTING UP A PAYMENT PLAN, OR OUR CHARITY CARE PROGRAM.

PART VI, LINE 4: OUR CORE AND PRIMARY MARKETS INCLUDE CENTRAL WASHINGTON COUNTY, MINNESOTA, INCLUDING THE IMMEDIATE AREA OF STILLWATER, AND ALSO THE NEARBY CITIES OF LAKE ELMO, MARINE ON THE ST. CROIX, BAYPORT, LAKELAND, AND AFTON IN MINNESOTA, AND SOMERSET, HOULTON, HUDSON, NEW RICHMOND AND STAR PRAIRIE, WISCONSIN. AS OUR SECONDARY SERVICE AREA, WE SERVE NEARBY CITIES IN EASTERN MINNESOTA AND WESTERN WISCONSIN. IN WASHINGTON COUNTY, 15.8% OF THE POPULATION IS OVER THE AGE OF 55. THE OVER 65 AGE GROUP GREW BY 61% BETWEEN THE 1990 AND 2000 CENSUS, AND IS CURRENTLY GROWING AT 18% PER YEAR, THE FASTEST INCREASE IN THE 11 COUNTY TWIN CITIES AREA. IT IS ESTIMATED THAT THE 65 AND OLDER GROUP IN WASHINGTON COUNTY WILL GROW BY 350% BY 2030. OF THE OVERALL POPULATION OF WASHINGTON COUNTY, 7.4% ARE INDIVIDUALS OF COLOR. THE MEDIAN INCOME IN WASHINGTON COUNTY WAS \$74,000 IN 2006, AND THE MEDIAN INCOME OF INDIVIDUALS 65 AND OLDER WAS UNDER \$34,000 PER YEAR.

PART VI, LINE 6: THE ORGANIZATION'S MULTI-SPECIALTY CLINIC PARTICIPATES IN MINNESOTA COMMUNITY MEASUREMENT; THE CLINIC PRACTICES AND MEASURES PROVIDER PERFORMANCE WITH SPECIFIC PREVENTIVE CARE METRICS AND SPECIFIC CHRONIC DISEASE MANAGEMENT METRICS.

Part VII Supplemental Information (Optional for 2008)

PART VI, LINE 7: AS A MEMBER OF STILLWATER HEALTH SYSTEM, LAKEVIEW MEMORIAL HOSPITAL PARTICIPATES WITH THE MULTI-SPECIALTY CLINIC AND HEALTH SYSTEM LEADERSHIP IN PROVIDING ACCESS TO CARE, SUPPORT GROUPS, EDUCATIONAL ACTIVITIES AND FINANCIAL CONTRIBUTIONS TO THE MARKET AREAS DESCRIBED IN LINE 4, ABOVE.

PART VI, LINE 8, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

MN

SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the U.S.

OMB No. 1545-0047

2008

Department of the Treasury
Internal Revenue Service

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

Open to Public
Inspection

Name of the organization **LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.** Employer identification number **41-0811697**

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ~~~~~ Yes No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HUMAN SERVICES, INC. 7066 STILLWATER BLVD. N OAKDALE, MN 55128	41-0955577	501(C)(3)	10,500.	0.			COMMUNITY BENEFIT
STILLWATER AREA SCHOOLS 1875 GREELEY ST STILLWATER, MN 55082	41-6008519	501(C)(3)	10,000.	0.			COMMUNITY BENEFIT
YOUTH SERVICES BUREAU 101 W PINE ST STILLWATER, MN 55082	41-1333578	501(C)(3)	5,000.	0.			COMMUNITY BENEFIT
YOUNG LIFE ST. CROIX VALLEY 1151 PARKWOOD LN STILLWATER, MN 55082	84-0385934	501(C)(3)	5,000.	0.			COMMUNITY BENEFIT
COMMUNITY THREAD 2300 W ORLEANS ST STILLWATER, MN 55082	41-0967271	501(C)(3)	5,000.	0.			COMMUNITY BENEFIT
ST. CROIX CHAPLAINCY ASSN PO BOX 322 STILLWATER, MN 55082	41-1628281	501(C)(3)	5,000.	0.			COMMUNITY BENEFIT

2 Enter total number of section 501(c)(3) and government organizations ~~~~~ **11.**

3 Enter total number of other organizations ~~~~~ **0.**

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

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

SCHEDULE I, PART I, LINE 2: GRANT APPLICANTS IDENTIFY THE INTENDED PURPOSE OF FUNDS DURING THE APPLICATION PROCESS.

Name of the organization **LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.** Employer identification number **41-0811697**

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ST. CROIX VALLEY HEALTH AND CARE RESEARCH FOUNDATION - 1500 CURVE CREST BLVD - STILLWATER, MN 55082	41-1923524	501(C)(3)	28,676.	0.			COMMUNITY BENEFIT
FAMILY MEANS 1875 NORTHWESTERN AVE STILLWATER, MN 55082	41-6045574	501(C)(3)	5,000.	0.			COMMUNITY BENEFIT
STILLWATER HEALTH SYSTEM 927 CHURCHILL STREET WEST STILLWATER, MN 55082	30-0221189	501(C)(3)	2,174,529.	0.			GENERAL OPERATIONS.
LAKEVIEW MEMORIAL HOSPITAL FOUNDATION - 927 CHURCHILL STREET WEST - STILLWATER, MN 55082	41-1386635	501(C)(3)	603,283.	0.			GENERAL OPERATIONS.
STILLWATER MEDICAL GROUP 1500 CURVE CREST BLVD STILLWATER, MN 55082	83-0379473	501(C)(3)	3,733,043.	0.			GENERAL OPERATIONS.

2 Enter total number of Section 501(c)(3) and government organizations _____
3 Enter total number of other organizations _____

Compensation Information

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

2008

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 23.

Open to Public Inspection

Name of the organization

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

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 checked="" 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 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? ~~~~~ | 4a | | X |
| b Participate in, or receive payment from, a supplemental nonqualified retirement plan? ~~~~~ | 4b | | X |
| c Participate in, or receive payment from, an equity-based compensation arrangement? ~~~~~ | 4c | | X |
- 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? ~~~~~ | 5a | | X |
| b Any related organization? ~~~~~ | 5b | | X |
- If "Yes," to line 5a or 5b, describe in Part III.

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

- | | | | |
|-----------------------------------|----|--|---|
| a The organization? ~~~~~ | 6a | | X |
| b Any related organization? ~~~~~ | 6b | | X |
- 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
1b	X	
2	X	
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X

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 compensation				
KEVIN BJORK, MD	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	419,231.	0.	0.	6,320.	10,707.	436,258.	0.
DOUGLAS E. JOHNSON	(i)	170,531.	56,000.	22,406.	36,219.	20,719.	305,875.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JEFFREY J. ROBERTSON	(i)	284,409.	112,000.	6,978.	64,643.	19,968.	487,998.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
CURT GEISLER	(i)	219,578.	74,000.	24,915.	47,967.	16,922.	383,382.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MARY E JONES	(i)	183,124.	0.	0.	0.	0.	183,124.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JEFFREY MAANUM	(i)	164,038.	0.	0.	0.	0.	164,038.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

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.

PART I, LINE 1A: CHARTER TRAVEL - DOUG JOHNSON - \$509

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

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

FORM 990, PART VI, SECTION A, LINE 1: THE EXECUTIVE COMMITTEE CONSISTS OF THE OFFICERS OF THE BOARD OF DIRECTORS, THE CEO AND THE CFO. THE CEO AND CFO ARE NOT VOTING MEMBERS OF THE BOARD OF DIRECTORS. THE EXECUTIVE COMMITTEE HAS POWER TO TRANSACT ALL REGULAR BUSINESS OF THE HOSPITAL DURING THE PERIOD BETWEEN THE MEETINGS OF THE BOARD OF DIRECTORS SUBJECT TO ANY PRIOR LIMITATION IMPOSED BY THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 6: THE SOLE MEMBER IS STILLWATER HEALTH SYSTEM.

FORM 990, PART VI, SECTION A, LINE 7A: THE PRESIDENT OF STILLWATER HEALTH SYSTEM IS APPOINTED BY THE MEMBER AND IS AUTOMATICALLY GIVEN A POSITION AS A VOTING MEMBER OF THE BOARD OF DIRECTORS OF LAKEVIEW MEMORIAL HOSPITAL ASSOCIATION.

FORM 990, PART VI, SECTION A, LINE 7B: THE MEMBER HAS RESERVED TO ITSELF THE FOLLOWING POWERS CONCERNING THE GOVERNANCE OF LAKEVIEW MEMORIAL HOSPITAL ASSOCIATION:

A. RATIFICATION, APPROVAL AND REMOVAL OF ALL MEMBERS OF THE BOARD OF DIRECTORS WITH OR WITHOUT CAUSE.

B. APPROVAL OF ANY MISSION OR VISION STATEMENT OR STATEMENT OF CORPORATE PURPOSE.

C. APPROVAL OF THE STRATEGIC PLANS, CAPITAL BUDGETS, OPERATING BUDGETS AND FINANCIAL POLICIES.

D. APPROVAL OF ANY PLANS OF MERGER OR CONSOLIDATION WITH ANY FOREIGN OR DOMESTIC CORPORATION, VOLUNTARY DISSOLUTION, OR SALE, LEASE OR TRANSFER OF

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

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

THE HOSPITAL'S REAL ESTATE OR A SIGNIFICANT PORTION OF ITS OPERATIONS OR ASSETS.

E. APPROVAL OF THE GRANT OF A SECURITY INTEREST IN ALL OR SUBSTANTIALLY ALL OF THE HOSPITAL'S ASSETS, OR THE INCURRENCE OF INDEBTEDNESS OR THE GUARANTEE OF ANY INDEBTEDNESS.

F. APPROVAL OF INDIVIDUAL CAPITAL EXPENDITURES IN EXCESS OF \$500,000.

G. APPROVAL OF PHYSICIAN, EMPLOYEE AND EXECUTIVE COMPENSATION PLANS, INCLUDING CRITERIA FOR INCENTIVE COMPENSATION ARRANGEMENTS.

H. APPROVAL OF ALL SUBSTANTIVE AFFILIATIONS BETWEEN THE HOSPITAL AND A THIRD PARTY.

I. APPROVAL OF CONFLICTS OF INTEREST POLICIES.

FORM 990, PART VI, SECTION A, LINE 10: THE HOSPITAL'S DRAFT 990 WAS REVIEWED AND APPROVED BY THE CFO, THEN DISTRIBUTED ELECTRONICALLY TO ALL LAKEVIEW HOSPITAL AND STILLWATER HEALTH SYSTEM BOARD MEMBERS (VOTING AND NON-VOTING). THE FORM 990 WAS REVIEWED BY THE STILLWATER HEALTH SYSTEM AUDIT COMMITTEE. A COPY OF THE FINAL FORM 990 WAS SENT ELECTRONICALLY TO ALL BOARD MEMBERS PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION REQUIRES INTERESTED PERSONS TO DISCLOSE POTENTIAL CONFLICTS OF INTEREST. INTERESTED PERSONS ARE EXCLUDED FROM DELIBERATIONS AND VOTES PERTAINING TO THE TRANSACTION OR ARRANGEMENT. ALTERNATIVES TO THE TRANSACTION OR ARRANGEMENT ARE EXPLORED. IF A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT CANNOT BE IDENTIFIED THAT DOES NOT GIVE RISE TO CONFLICT OF INTEREST, THE BOARD CONSIDERS THE TRANSACTION OR ARRANGEMENT BASED ON ITS BENEFIT TO THE

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.

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2008

Open to Public Inspection

Name of the organization

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

CORPORATION.

IF THE BOARD HAS REASONABLE CAUSE TO BELIEVE THAT A MEMBER HAS FAILED TO DISCLOSE POSSIBLE CONFLICTS OF INTEREST, IT INFORMS THE MEMBER OF THE BASIS FOR SUCH BELIEF AND AFFORDS THE MEMBER AN OPPORTUNITY TO EXPLAIN THE ALLEGED FAILURE TO DISCLOSE. IF, AFTER HEARING THE RESPONSE OF THE MEMBER AND MAKING SUCH FURTHER INVESTIGATION AS IS WARRANTED, THE BOARD DETERMINES THAT THE MEMBER HAS IN FACT FAILED TO DISCLOSE AN ACTUAL OR POSSIBLE CONFLICT OF INTEREST, IT TAKES APPROPRIATE DISCIPLINARY AND CORRECTIVE ACTION. THE BOARD OF DIRECTORS AND OFFICERS ARE COVERED UNDER THE ORGANIZATION'S CONFLICT OF INTEREST POLICY. DETERMINATIONS OF CONFLICTS OF INTEREST ARE MADE AND REVIEWED AT THE CLINIC PROVIDER LEVEL AND AT THE CORPORATION EXECUTIVE AND BOARD LEVEL.

FORM 990, PART VI, SECTION B, LINE 15: THE DETERMINATION OF THE COMPENSATION OF LAKEVIEW MEMORIAL HOSPITAL ASSOCIATION'S OFFICERS AND BOARD MEMBERS IS CONDUCTED BY A RELATED ORGANIZATION.

IN 2008, LAKEVIEW HEALTH SYSTEM'S COMPENSATION COMMITTEE RETAINED AN INDEPENDENT EXECUTIVE COMPENSATION CONSULTING FIRM TO PROVIDE A COMPREHENSIVE MARKET COMPARISON FOR THE FOLLOWING EXECUTIVE POSITIONS WITHIN LAKEVIEW HEALTH: SYSTEM CEO, SYSTEM CFO, CLINIC PRESIDENT, CLINIC ADMINISTRATOR AND HOSPITAL PRESIDENT. THE DATA FROM THE 2008 ANALYSIS ALLOWED THE COMMITTEE TO LEARN THE COMPENSATION RATES THAT ARE CONSIDERED P50 TO P60 OF MARKET FOR COMPARABLE LAKEVIEW POSITIONS. OTHER CONSIDERATIONS BY THE COMMITTEE INCLUDE: ACHIEVEMENT OF ORGANIZATIONAL

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

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

OBJECTIVES, INDIVIDUAL PERFORMANCE, EXPERIENCE, SUBJECTIVE EVALUATION BY BOARD MEMBERS, GENERAL ECONOMIC CONDITIONS, COSTS OF REPLACEMENT, PREVAILING COMMUNITY ATTITUDES AND BELIEFS REGARDING EXECUTIVE COMPENSATION.

THE PROCESS OF DETERMINING THE OFFICERS AND BOARD MEMBERS' COMPENSATION INCLUDED REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY DATA AND CONTEMPORANEOUS SUBSTANTIATION IN 2009.

FORM 990, PART VI, SECTION C, LINE 19: THE HOSPITAL'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT MADE AVAILABLE TO THE PUBLIC. THE HOSPITAL'S FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC THROUGH ITS ANNUAL REPORT.

FORM 990, PART IV, LINE 12 AND FORM 990, PART XI, LINE 2B AUDITED FINANCIAL STATEMENTS

FOLLOWING THE INSTRUCTIONS TO FORM 990, LAKEVIEW MEMORIAL HOSPITAL HAS ANSWERED 'NO' TO FORM 990, PART IV, LINE 12 AND TO FORM 990, PART XI, LINE 2B BECAUSE LAKEVIEW MEMORIAL HOSPITAL'S FINANCIAL STATEMENTS WERE AUDITED ON A CONSOLIDATED BASIS. FOR THE YEAR ENDED SEPTEMBER 30, 2009, LAKEVIEW MEMORIAL HOSPITAL DID PREPARE FINANCIAL STATEMENTS IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPALS AND THESE FINANCIAL STATEMENTS WERE AUDITED BY AN INDEPENDENT ACCOUNTING FIRM.

FORM 990, PART VII, SECTION A

AVERAGE WEEKLY HOURS

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.

2008

en 10 t'UDIG
Inspection

Name of the organization

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

THE COMPENSATED BOARD MEMBERS AND OFFICERS FREQUENTLY DEVOTE THEIR TIME
 TO MULTIPLE RELATED ORGANIZATIONS IN A PARTICULAR WEEK. EACH INDIVIDUAL
 WORKS AN AVERAGE OF APPROXIMATELY 60 HOURS PER WEEK FOR LAKEVIEW
 MEMORIAL HOSPITAL ASSOCIATION AND ITS RELATED ORGANIZATIONS.

Related Organizations and Unrelated Partnerships

Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
See separate instructions.

Name of the organization **LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.** Employer identification number **41-0811697**

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
STILLWATER HEALTH SYSTEM - 30-0221189 927 CHURCHILL ST. W. STILLATER, MN 55082	HEALTH CARE	MINNESOTA	501(C)(3)	11 - TYPE 2	N/A
LAKEVIEW MEMORIAL HOSPITAL FOUNDATION - 41-1386635, 927 CHURCHILL ST. W., STILLATER, MN 55082	FOUNDATION	MINNESOTA	501(C)(3)	11 - TYPE 1	N/A
ST. CROIX VALLEY HEALTH AND CARE RESEARCH FOUNDATION - 41-1923524, 1500 CHURCHILL BLVD, STILLATER, MN 55082	FOUNDATION	MINNESOTA	501(C)(3)	PF	N/A
STILLWATER MEDICAL GROUP - 83-0379473 1500 CHURCHILL BLVD STILLATER, MN 55082	HOSPITAL	MINNESOTA	501(C)(3)	9	N/A

Part V Transactions With Related Organizations

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

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity ~~~~~		X
b Gift, grant, or capital contribution to other organization(s) ~~~~~	X	
c Gift, grant, or capital contribution from other organization(s) ~~~~~	X	
d Loans or loan guarantees to or for other organization(s) ~~~~~	X	
e Loans or loan guarantees by other organization(s) ~~~~~		X
f Sale of assets to other organization(s) ~~~~~		X
g Purchase of assets from other organization(s) ~~~~~		X
h Exchange of assets ~~~~~	X	
i Lease of facilities, equipment, or other assets to other organization(s) ~~~~~		X
j Lease of facilities, equipment, or other assets from other organization(s) ~~~~~		X
k Performance of services or membership or fundraising solicitations for other organization(s) ~~~~~		X
l Performance of services or membership or fundraising solicitations by other organization(s) ~~~~~	X	
m Sharing of facilities, equipment, mailing lists, or other assets ~~~~~	X	
n Sharing of paid employees ~~~~~	X	
o Reimbursement paid to other organization for expenses ~~~~~	X	
p Reimbursement paid by other organization for expenses ~~~~~		X
q Other transfer of cash or property to other organization(s) ~~~~~		X
r 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)		
(2)		
(3)		
(4)		
(5)		
(6)		

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

2008

Department of the Treasury Internal Revenue Service

For calendar year 2008 or other tax year beginning OCT 1, 2008 and ending SEP 30, 2009

Open to Public Inspection for 501(c)(3) Organizations Only

Header section containing: A Check box if address changed; B Exempt under section 501(c)(3); C Book value of all assets at end of year; D Employer identification number; E Unrelated business activity codes; F Group exemption number; G Check organization type.

H Describe the organization's primary unrelated business activity. SEE STATEMENT 1

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No

J The books are in care of DOUG JOHNSON Telephone number 651-430-4581

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 1a Gross receipts or sales, 1c Balance, 2 Cost of goods sold, 3 Gross profit, 4a-4c Capital gain/loss, 5-12 Other income, 13 Total.

Part II Deductions Not Taken Elsewhere (see instructions for limitations on deductions.)

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 14 Compensation of officers, 15 Salaries and wages, 16-19 Repairs, bad debts, interest, taxes, 20-22 Charitable contributions, depreciation, 23-27 Other deductions, 28-34 Total deductions and net operating loss.

Part III Tax Computation

Table with 3 columns: Description, Line Number, and Amount. Rows include Organizations Taxable as Corporations, Trusts Taxable at Trust Rates, Proxy tax, Alternative minimum tax, and Total.

Part IV Tax and Payments

Table with 3 columns: Description, Line Number, and Amount. Rows include Foreign tax credit, Other credits, Total credits, Other taxes, Total tax, Payments, Total payments, Estimated tax penalty, Tax due, Overpayment, and Refunded.

Part V Statements Regarding Certain Activities and Other Information (See instructions on page 18)

Table with 3 columns: Question, Yes, No. Questions regarding foreign accounts, foreign trusts, and tax-exempt interest.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation

N/A

Table with 3 columns: Description, Line Number, and Amount. Rows include Inventory at beginning/end of year, Purchases, Cost of labor, Additional section 263A costs, and Total.

Sign Here: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Preparer's information section including signature, date, title (CFO), firm's name (LARSONALLEN LLP), address (220 SOUTH SIXTH STREET, SUITE 300, MINNEAPOLIS, MN 55402), and phone number (612-376-4500).

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instr. on pg 19)

1 Description of property		2 Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)	(2)	(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)				
(2)				
(3)				
(4)				
Total		0.	Total 0.	
(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)				(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B)
				0.

Schedule E - Unrelated Debt-Financed Income (See instructions on page 19)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A). 0.	Enter here and on page 1, Part I, line 7, column (B). 0.
Total dividends-received deductions included in column 8				0.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (See instructions on page 20)

1 Name of controlled organization	2 Employer identification number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7 Taxable Income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). 0.	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B). 0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
(see instructions on page 21)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
Totals	9	0		0

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
(see instructions on page 21)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals	9	0	0			0

Schedule J - Advertising Income (see instructions on page 21)

Part I Income From Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	9	0	0			0

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I	0	0				0
Totals, Part II (lines 1-5)	9	0	0			0

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 22)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
			%
			%
			%
			%
Total. Enter here and on page 1, Part II, line 14			9

FORM 990-T OTHER DEDUCTIONS STATEMENT 3

<u>DESCRIPTION</u>	<u>AMOUNT</u>
SUPPLIES AND OUTSIDE SERVICES	6,312,175.
TOTAL TO FORM 990-T, PAGE 1, LINE 28	6,312,175.

Return of Organization Exempt From Income Tax

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

Department of the Treasury Internal Revenue Service

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

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning OCT 1, 2007 and ending SEP 30, 2008

B Check if applicable: C Name of organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. D Employer identification number 41-0811697

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? H(b) If "Yes," enter number of affiliates

G Website: WWW.LAKEVIEW.ORG J Organization type 501(c)(3) H(c) Are all affiliates included? H(d) Is this a separate return filed by an organization covered by a group ruling?

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 99,757,305. M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

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

Table with columns for Revenue, Expenses, and Net Assets. Rows include Contributions, Program service revenue, Rents, Special events, and Total revenue. Total revenue is 99,715,237.

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Table with 5 columns: Description, (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include 22a-22b, 23-24, 25a-25c, 26-29, 30-43, and 44. Includes handwritten 'STATEMENT 5' and 'SEE STATEMENT 4'.

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

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [9] Yes [X] No
If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;
(iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

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

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

What is the organization's primary exempt purpose? <input checked="" type="checkbox"/> SEE STATEMENT 7	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a SEE STATEMENT 6	
(Grants and allocations \$ 8,003,456.) If this amount includes foreign grants, check here <input type="checkbox"/>	81,813,611.
b	
(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/>	
c	
(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/>	
d	
e Other program services (attach schedule) (Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	81,813,611.

Part IV Balance Sheets (See the instructions.)

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

		(A) Beginning of year		(B) End of year	
Assets	45 Cash - non-interest-bearing ~~~~~	7,342,682.	45	11,554,532.	
	46 Savings and temporary cash investments ~~~~~	256,664.	46	268,446.	
	47 a Accounts receivable ~~~~~	47a 23,107,123.	11,773,145.	47c	10,846,636.
	b Less: allowance for doubtful accounts ~~~	47b 12,260,487.			
	48 a Pledges receivable ~~~~~	48a		48c	
	b Less: allowance for doubtful accounts ~~~	48b			
	49 Grants receivable ~~~~~			49	
	50 a Receivables from current and former officers, directors, trustees, and key employees ~~~~~			50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) ~~~~~			50b	
	51 a Other notes and loans receivable ~~~~~	51a		51c	
	b Less: allowance for doubtful accounts ~~~~~	51b			
	52 Inventories for sale or use ~~~~~	1,618,749.	52		1,738,601.
	53 Prepaid expenses and deferred charges ~~~~~	687,069.	53		765,678.
	54 a Investments - publicly-traded securities ~~~~~	9 Cost FMV		54a	
	b Investments - other securities ~~~~~	9 Cost FMV		54b	
	55 a Investments - land, buildings, and equipment: basis ~~~~~	55a		55c	
	b Less: accumulated depreciation ~~~~~	55b			
	56 Investments - other ~~~~~	2,339,350.	56		2,412,406.
	57 a Land, buildings, and equipment: basis ~~~	57a 64,699,219.	29,563,537.	57c	27,771,177.
b Less: accumulated depreciation ^S ~~~	57b 36,928,042.				
58 Other assets, including program-related investments (describe ACCRUED INTEREST)	32,201.	58		11,656.	
59 Total assets (must equal line 74). Add lines 45 through 58	53,613,397.	59		55,369,132.	
Liabilities	60 Accounts payable and accrued expenses ~~~~~	6,047,344.	60	5,985,115.	
	61 Grants payable ~~~~~		61		
	62 Deferred revenue ~~~~~		62		
	63 Loans from officers, directors, trustees, and key employees ~~~~~		63		
	64 a Tax-exempt bond liabilities ~~~~~		64a		
	b Mortgages and other notes payable ~~~~~		64b		
	65 Other liabilities (describe SEE STATEMENT 10)	7,590,362.	65		7,550,009.
66 Total liabilities. Add lines 60 through 65	13,637,706.	66		13,535,124.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted ~~~~~	39,601,863.	67	41,293,226.	
	68 Temporarily restricted ~~~~~	373,828.	68	540,782.	
	69 Permanently restricted ~~~~~		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds ~~~~~		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund ~~~~~		71		
	72 Retained earnings, endowment, accumulated income, or other funds ~~~~~		72		
73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	39,975,691.	73		41,834,008.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	53,613,397.	74		55,369,132.	

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

Table with 5 main rows (a-e) and sub-rows for adjustments. Row a: Total revenue, gains, and other support per audited financial statements 98517884. Row b: Amounts included on line a but not on Part I, line 12. Row c: Subtract line b from line a. Row d: Amounts included on Part I, line 12, but not on line a. Row e: Total revenue (Part I, line 12). Add lines c and d 99715237.

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

Table with 5 main rows (a-e) and sub-rows for adjustments. Row a: Total expenses and losses per audited financial statements 92003668. Row b: Amounts included on line a but not on Part I, line 17. Row c: Subtract line b from line a. Row d: Amounts included on Part I, line 17, but not on line a. Row e: Total expenses (Part I, line 17). Add lines c and d 100,007,124.

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

Table with 5 columns: (A) Name and address, (B) Title and average hours per week devoted to position, (C) Compensation (If not paid, enter -0-), (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1: SEE STATEMENT 13, 318,494, 59,184, 0.

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? ~~~~~ b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) ~~~~~	82a	X
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications? ~~~~~	83a	X
83 b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? ~~~~~	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? ~~~~~	84a	
84 b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? ~~~~~	84b	
85 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members? ~~~~~	85a	
85 b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? ~~~~~ If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	
85 c	Dues, assessments, and similar amounts from members ~~~~~	85c	N/A
85 d	Section 162(e) lobbying and political expenditures ~~~~~	85d	N/A
85 e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices ~~~~~	85e	N/A
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e) ~~~~~	85f	N/A
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? ~~~~~	85g	
85 h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? ~~~~~	85h	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 ~~~~~	86a	N/A
86 b	Gross receipts, included on line 12, for public use of club facilities ~~~~~	86b	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders ~~~~~	87a	N/A
87 b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) ~~~~~	87b	N/A
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX ~~~~~	88a	X
88 b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ~~~~~	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
89 b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction ~~~~~	89b	X
89 c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ~~~~~		
89 d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ~~~~~		
89 e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? ~~~~~	89e	X
89 f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract? ~~~~~	89f	X
89 g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? ~~~~~	89g	
90 a	List the states with which a copy of this return is filed <u>MN</u>		
90 b	Number of employees employed in the pay period that includes March 12, 2007 ~~~~~	90b	763
91 a	The books are in care of <u>DOUG JOHNSON</u> Telephone no. <u>651-430-4581</u> Located at <u>927 CHURCHILL STREET WEST, STILLWATER, MN</u> ZIP + 4 <u>55082</u>		
91 b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? ~~~~~ If "Yes," enter the name of the foreign country <u>N/A</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	91b	X

Part VI Other Information (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c
 If "Yes," enter the name of the foreign country N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here
 and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a NET PATIENT SERVICE	621500	4,491,405.			88,731,938.
b					
c					
d					
e					
f Medicare/Medicaid payments ~~~~~					
g Fees and contracts from government agencies ~					
94 Membership dues and assessments ~~~~~					
95 Interest on savings and temporary cash investments ~			14	254,358.	
96 Dividends and interest from securities ~~~~~					
97 Net rental income or (loss) from real estate:					
a debt-financed property ~~~~~					
b not debt-financed property ~~~~~			16	75,020.	
98 Net rental income or (loss) from personal property					
99 Other investment income ~~~~~					
100 Gain or (loss) from sales of assets other than inventory ~~~~~			18	-15,033.	
101 Net income or (loss) from special events ~~~~~					
102 Gross profit or (loss) from sales of inventory ~					
103 Other revenue:					
a SEE STATEMENT 16		4,607,860.		1,290,358.	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E)) ~~~~~		9,099,265.		1,604,703.	88,731,938.
105 Total (add line 104, columns (B), (D), and (E)) ~~~~~					99,435,906.

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

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	HOSPITAL AND RELATED HEALTH CARE SERVICES PROVIDED PATIENTS.
93F	HOSPITAL AND RELATED HEALTH CARE SERVICES PROVIDED PATIENTS.

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

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

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

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

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

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

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)
9 MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

Name of the organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.	Employer identification number 41 0811697
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
JEFFREY MAANUM 341 GOLFVIEW LANE, AMERY, WI 54001	LEAD ULTRASOUND TECH 66.00	173,235.	17,053.	0.
MARY E. JONES 790 MIDWEST TRAIN N., LAKE ELMO, MN 55045	RN, WEEKENDER 51.00	178,567.	12,973.	0.
CINDY APPLESETH 13120 17TH ST. N., MARINE ST. CRIOX 55001	PHARMACY DIRECTOR 40.00	139,046.	17,410.	0.
JO SITTLOW 214 EASTBANK COURT, NORTH HUDSON, WI 53051	DIRECTOR OF NURSING 40.00	128,840.	10,200.	0.
JANICE ARKELL 11392 88TH ST. N., STILLWATER, MN 55050	RN, WEEKENDER 48.00	126,419.	15,390.	0.
Total number of other employees paid over \$50,000	281			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
ST. PAUL HEART CLINIC 225 SMITH AVE N, ST. PAUL, MN 55102	EQUIPMENT RENTAL/TECHICIAN	687,269.
NURSE ANESTHESIA SERVICES, P.A. 8990 SPRINGBROOK DR. NW SUITE 250, COON RAPIDS, MN 55019	ANESTHESIA SERVICES	399,996.
ST. CROIX CHAPLANCY PO BOX 332, STILLWATER, MN 55082	PASTORAL CARE SERVICES	115,421.
NELSON & ANDERSON CREATIVE GROUP 123 2ND STREET N, STILLWATER, MN 55082	MARKETING AND ADVERTISING	106,704.
FELHABER LARSON FENLON & VOGT PO BOX 86, MINNEAPOLIS, MN 55486	LEGAL SERVICES	88,831.
Total number of others receiving over \$50,000 for professional services	4	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
QUEST DIAGNOSTICS PO BOX 12989, CHICAGO, IL 60693	LAB TESTS/SERVICES	566,006.
MIDWEST SLEEP LINK 225 N SMITH AVENUE SUITE 300, ST. PAUL, MN 55102	SLEEP STUDY; PROFESSIONAL FEES	216,200.
FAVORITE HEALTHCARE STAFFING 7255 WEST 98TH TERRACE, SUITE 150, OVERLAND PARK, MO 66204	TEMPORARY HELP AGENCY	192,062.
TMCK ASSOCIATES 14239 ACKER ROAD, HUDSON, IA 50643	CHARGE CAPTURE AUDIT AND RECOVER	190,036.
AMERICAN SECURITY LLC PO BOX 1150, MINNEAPOLIS, MN 55480	OVERNIGHT AND WEEKEND SECURITY	131,996.
Total number of other contractors receiving over \$50,000 for other services	4	

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

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

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

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

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **J** _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

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

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

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

Calendar year (or fiscal year beginning in) ~~~~~ J	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) ~~~~~					
16 Membership fees received ~~~					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose _ _ _ _					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 _ _ _ _ _					
19 Net income from unrelated business activities not included in line 18 _					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge ~~~					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets _ _ _ _ _					
23 Total of lines 15 through 22 ~~~	0 .	0 .	0 .	0 .	0 .
24 Line 23 minus line 17 ~~~~~					
25 Enter 1% of line 23 ~~~~~					
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ~~~~~ J					26a N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ~~~~~ J					26b N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e) ~~~~~ J					26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ ~~~ J					26d N/A
e Public support (line 26c minus line 26d total) ~~~~~ J					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ~~~~~ J					26f N/A %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2006) ~~~~~ (2005) ~~~~~ (2004) ~~~~~ (2003) ~~~~~					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2006) ~~~~~ (2005) ~~~~~ (2004) ~~~~~ (2003) ~~~~~					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ~ J					27c N/A
d Add: Line 27a total ~ _____ and line 27b total ~~~~~ ~ J					27d N/A
e Public support (line 27c total minus line 27d total) ~~~~~ J					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ~~~ J					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ~~~~~ J					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ~~~~~ J					27h N/A %

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

Part V Private School Questionnaire (See page 9 of the instructions.) N/A
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.) N/A
 (To be completed ONLY by an eligible organization that filed Form 5768)

Check **9** **a** if the organization belongs to an affiliated group. Check **9** **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Affiliated group totals	(b) To be completed for all electing organizations
	N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying) ~~~~~	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying) ~~~~~	37	
38 Total lobbying expenditures (add lines 36 and 37) ~~~~~	38	
39 Other exempt purpose expenditures ~~~~~	39	
40 Total exempt purpose expenditures (add lines 38 and 39) ~~~~~	40	
41 Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is - The lobbying nontaxable amount is -		
Not over \$500,000 ~~~~~ 20% of the amount on line 40 ~~~~~		
Over \$500,000 but not over \$1,000,000 ~~~~ \$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000 ~~~~ \$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000 ~~~~ \$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000 ~~~~~ \$1,000,000 ~~~~~		
42 Grassroots nontaxable amount (enter 25% of line 41) ~~~~~	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 ~~~~~	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 ~~~~~	44	

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) 9	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount _____					0.
46 Lobbying ceiling amount (150% of line 45(e)) _____					0.
47 Total lobbying expenditures _____					0.
48 Grassroots nontaxable amount _____					0.
49 Grassroots ceiling amount (150% of line 48(e)) _____					0.
50 Grassroots lobbying expenditures _____					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers ~~~~~		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.) ~~~~~		X	
c Media advertisements ~~~~~		X	
d Mailings to members, legislators, or the public ~~~~~		X	
e Publications, or published or broadcast statements ~~~~~		X	
f Grants to other organizations for lobbying purposes ~~~~~		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body ~~~~~		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means ~~~~~		X	
i Total lobbying expenditures (Add lines c through h.) ~~~~~			0.

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

Schedule B

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

Department of the Treasury Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2007

Name of organization

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

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 \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

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

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

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

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

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

Name of organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.	Employer identification number 41-0811697
--	---

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<u>LAKEVIEW MEMORIAL HOSPITAL FOUNDATION</u> <u>927 WEST CHURCHILL STREET</u> <u>STILLWATER, MN 55082</u>	\$ 279,331.	Person <input checked="" type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	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.)

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
	PROGRAM SERVICES											
11				.000	16							3,865,334.
	* 990 PAGE 2 TOTAL											
	PROGRAM SERVICES					0.		0.	0.	0.	0.	3,865,334.
	* GRAND TOTAL 990 PAGE											
	2 DEPR					0.		0.	0.	0.	0.	3,865,334.

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

DESCRIPTION }}}}}}}}}}}}	DATE	DATE	METHOD
	ACQUIRED }}}}}}}}}}	SOLD }}}}}}}}}}	ACQUIRED PURCHASED }}}}}}}}}}
LOSS ON SALE OF ASSETS			
NAME OF BUYER }}}}}}}}}}}}}}	GROSS SALES PRICE }}}}}}}}}}}}	COST OR OTHER BASIS }}}}}}}}}}}}	EXPENSE OF SALE DEPREC }}}}}}}}}}}}
TO FM 990, PART I, LN 8	27,035.	42,068.	0. 0. -15,033.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 3
}}

DESCRIPTION }}}}}}}}}}}}	AMOUNT }}}}}}}}}}}}}}
MINIMUM PENSION LIABILITY ADJUSTMENTS	2,150,204.
TOTAL TO FORM 990, PART I, LINE 20	2,150,204.

FORM 990 OTHER EXPENSES STATEMENT 4
}}

DESCRIPTION }}}}}}}}}}}}	(A)	(B)	(C)	(D)
	TOTAL }}}}}}}}}}}}}}	PROGRAM SERVICES }}}}}}}}}}}}}}	MANAGEMENT AND GENERAL }}}}}}}}}}}}}}	FUNDRAISING }}}}}}}}}}}}}}
OUTSIDE SERVICES	3,836,736.	2,495,427.	1,341,309.	
BAD DEBT	1,803,345.	1,803,345.		
VEHICLE EXPENSE	176,704.	157,650.	19,054.	
FORMS EXPENSE	340,595.	241,494.	99,101.	
OTHER EXPENSE	216,086.	75,860.	140,226.	
LICENSES AND TAXES	881,941.	763,468.	118,473.	
ADVERTISING/MARKETIN	295,967.	32,251.	263,716.	
CONSULTING	492,775.	240,233.	252,542.	
COMMUNITY SERVICE	564,565.		564,565.	
PURCHASED MEDICAL SERVICES	2,906,536.	2,855,751.	50,785.	
MN CARE TAX	847,965.	847,965.		
ALLOCATED OVERHEAD	1,986,119.	1,986,119.		
INSURANCE	4,684.	4,684.		
TOTAL TO FM 990, LN 43	14,354,018.	11,504,247.	2,849,771.	

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 13
 }}}

NAME AND ADDRESS }}}}}}}}}}}}}}}}}}}}}}}}	TITLE AND AVRG HRS/WK }}}}}}}}}}}}}}}}}}}}}}}}	COMPEN- SATION }}}}}}}}}}}}}}}}}}}}}}}}	EMPLOYEE		EXPENSE ACCOUNT }}}}}}}}}}}}}}}}}}}}}}}}
			BEN PLAN CONTRIB		
BRUCE BARTIE, D.O. 1500 CURVE CREST BLVD STILLWATER, MN 55082	BOARD MEMBER 1.00	0.	0.	0.	
KEVIN BJORK, MD 1500 CURVE CREST BLVD STILLWATER, MN 55082	BOARD MEMBER 1.00	0.	0.	0.	
ARBA-DELLA BECK 1500 CURVE CREST BLVD STILLWATER, MN 55082	SECRETARY 2.00	0.	0.	0.	
REBECCA BILLINGSLEY 1500 CURVE CREST BLVD STILLWATER, MN 55082	BOARD MEMBER 1.00	0.	0.	0.	
JIM BRADSHAW 1500 CURVE CREST BLVD STILLWATER, MN 55082	BOARD MEMBER 1.00	0.	0.	0.	
PETER CLEMENTS 1500 CURVE CREST BLVD STILLWATER, MN 55082	CHAIR 2.00	0.	0.	0.	
PHIL DONALDSON 1500 CURVE CREST BLVD STILLWATER, MN 55082	BOARD MEMBER 2.00	0.	0.	0.	
DOUG JOHNSON 1500 CURVE CREST BLVD STILLWATER, MN 55082	EX-OFFICIO 60.00	0.	0.	0.	
RON PHILLIPPO 1500 CURVE CREST BLVD STILLWATER, MN 55082	BOARD MEMBER 1.00	0.	0.	0.	
CHARLES BRADFORD, MD 1500 CURVE CREST BLVD STILLWATER, MN 55082	EX-OFFICIO 1.00	0.	0.	0.	
DAVID REAMER 1500 CURVE CREST BLVD STILLWATER, MN 55082	BOARD MEMBER 1.00	0.	0.	0.	

Table with columns for Name, Title, and monetary values. Includes entries for JEFFERY J. ROBERTSON, PAUL ERICKSON, JIM SCHUG, MARY NORD, ROD LAWSON, and CURT GEISSLER.

TOTALS INCLUDED ON FORM 990, PART V-A
318,494. 59,184. 0.

FORM 990 IDENTIFICATION OF RELATED ORGANIZATIONS STATEMENT 14
PART VI, LINE 80B

Table listing organizations and their exemption status. Includes entries like STILLWATER MEDICAL GROUP, LAKEVIEW HEALTH SYSTEM, LAKEVIEW MEMORIAL HOSPITAL FOUNDATION, ST. CROIX VALLEY HEALTH AND CARE RESEARCH FOUNDATION, VSSA, CMDI, and HIGH POINTE SURGERY CENTER.

TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING
SEPTEMBER 30, 2008

Prepared for	LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. 927 WEST CHURCHILL STREET STILLWATER, MN 55082
Prepared by	LARSONALLEN LLP 220 SOUTH SIXTH STREET, SUITE 300 MINNEAPOLIS, MN 55402
Amount due or refund	NO AMOUNT IS DUE.
Make check payable to	NO AMOUNT IS DUE.
Mail tax return and check (if applicable) to	DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE CENTER OGDEN, UT 84201-0027
Return must be mailed on or before	AUGUST 17, 2009
Special Instructions	THE RETURN SHOULD BE SIGNED AND DATED.

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

2007

Department of the Treasury Internal Revenue Service (77)

For calendar year 2007 or other tax year beginning OCT 1, 2007 and ending SEP 30, 2008

Open to Public Inspection for 501(c)(3) Organizations Only

Header section containing: A Check box if address changed; B Exempt under section 501(c)(3); C Book value of all assets at end of year; Name of organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.; Number, street, and room or suite no. 927 WEST CHURCHILL STREET; City or town, state, and ZIP code STILLWATER, MN 55082; Employer identification number 41-0811697; Unrelated business activity codes 621500 812900; G Check organization type 501(c) corporation.

H Describe the organization's primary unrelated business activity. SEE STATEMENT 21

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No

J The books are in care of DOUG JOHNSON Telephone number 651-430-4581

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 1a Gross receipts or sales 9,099,265; 1c Balance 7,779,335; 2 Cost of goods sold; 3 Gross profit 7,779,335; 13 Total 7,779,335.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 14 Compensation of officers, directors, and trustees; 15 Salaries and wages 1,729,454; 19 Taxes and licenses 4,506; 21 Depreciation 32,180; 22 Less depreciation claimed on Schedule A and elsewhere on return 32,180; 25 Employee benefit programs 22,383; 28 Other deductions SEE STATEMENT 22; 30 Unrelated business taxable income before net operating loss deduction -349,529; 31 Net operating loss deduction 0; 32 Unrelated business taxable income before specific deduction -349,529; 33 Specific deduction 1,000; 34 Unrelated business taxable income -349,529.

Part III Tax Computation

Table with 3 columns: Description, Line Number, Amount. Includes rows for Organizations Taxable as Corporations, Trusts Taxable at Trust Rates, Proxy tax, Alternative minimum tax, and Total.

Part IV Tax and Payments

Table with 3 columns: Description, Line Number, Amount. Includes rows for Foreign tax credit, Other credits, General business credit, Total credits, Other taxes, Total tax, Payments, Total payments, Estimated tax penalty, Tax due, Overpayment, and Refunded.

Part V Statements Regarding Certain Activities and Other Information (See instructions on page 18)

Table with 3 columns: Question, Yes, No. Includes questions about foreign accounts, distributions to foreign trusts, and tax-exempt interest.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation N/A

Table with 3 columns: Description, Line Number, Amount. Includes rows for Inventory at beginning/end of year, Purchases, Cost of labor, Additional section 263A costs, and Total.

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

Paid Preparer's Use Only: Preparer's signature, Date, Check if self-employed, Preparer's SSN or PTIN, Firm's name, address, and ZIP code, Phone no.

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instr. on pg 20)

1 Description of property		2 Rent received or accrued		3 Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)	(2)	(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)				
(2)				
(3)				
(4)				
Total		0.	Total 0.	
Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)				Total deductions. Enter here and on page 1, Part I, line 6, column (B)
				0.

Schedule E - Unrelated Debt-Financed Income (See instructions on page 20)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
			0.	0.
Total dividends-received deductions included in column 8				0.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (See instructions on page 21)

1 Name of Controlled Organization	2 Employer Identification Number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column (5)
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7 Taxable Income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
			0.	0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
(see instructions on page 22)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
Totals	9	0		0

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
(see instructions on page 22)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals	9	0	0			0

Schedule J - Advertising Income (see instructions on page 22)

Part I Income From Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	9	0	0			0

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I	9	0	0			0
Totals, Part II (lines 1-5)	9	0	0			0

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 23)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
			%
			%
			%
			%
Total			9

Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 5.x products, uncheck the "Shrink oversized pages to paper size" and uncheck the "Expand small pages to paper size" options, in the Adobe "Print" dialog. When using Acrobat 6.x and later products versions, select "None" in the "Page Scaling" selection box in the Adobe "Print" dialog.

2006 Tax Return(s)

Prepared for LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.
CLIENT CODE: 26447-ASSOC

Account Number 131839
Release Number 2006.08020

Prepared by LARSONALLEN LLP
220 SOUTH SIXTH STREET, SUITE 300
MINNEAPOLIS, MN
55402

612-376-4500

Processing Date: 02/13/2008
Time: 09:39:19

Special
Instructions

Messages

Return Information

INFORMATIONAL

{ Form 990. Page 9. The preparer's social security number and/or employer identification number have been left blank in accordance with the official IRS instructions. Only Section 4947(a)(1) nonexempt charitable trusts that are filing Form 990 in lieu of Form 1041 are instructed to complete this information. If desired, an entry on the Return Options worksheet, Miscellaneous Print Options section, Print preparer SSN & EIN field, may be used to force this information to print. Please note, however, that forcing this information to print when it is not required will disqualify the return from electronic filing. (30102)

{ Form 990-T. Page 2, Part IV. If the organization is required or desires to make tax deposits electronically (EFTPS), the Form 990-T worksheet, General Information section, Electronic Funds Transfer Information fields, may be used to reference the Electronic Federal Tax Payment System (EFTPS) in the filing instructions and/or transmittal letter. Failure to use EFTPS when required may subject the organization to penalties. (30073)

{ Schedule A. Part III, line 4. No entries have been made to answer the questions about donor advised funds on lines 4a through 4g. The assumption has been made that these do not apply to the organization and they have been answered accordingly. This should be reviewed. If the organization does have any reporting requirements for lines 4a through 4g, make the appropriate entries on the Schedule A worksheet, Statement About Activities section, Information Regarding Donor Advised Funds subsection. (36016)

{ Electronic Filing. Form 990 is being filed electronically. Entries have been made on the Notes worksheet for preparer footnotes. Please note that these footnote entries are not included in the electronic return. If applicable these must also be entered on the Electronic Filing worksheet, Explanation or Preparer's Notes section. This will produce a General Explanation attachment in the electronic return. If an entry is made on the Electronic Filing worksheet, Explanation or Preparer's Notes section, Code to include in paper return field, the General Explanation attachment will also be included in the paper return and the corresponding footnote entries may be removed. Please note, however, that a maximum of 10 General Explanation attachments are allowed in the electronic return. (36259)

{ Electronic Filing. Form 990 has qualified for electronic filing. If a printed copy of the return is generated and electronic processing of the return is completed, do not mail the printed copy of the return to the IRS. Form 8879-EO must be retained by the electronic return originator for three years. Please note that Form 990-T is also present and must be filed by conventional paper filing. (39495)

Tax Return Carryovers to 2007

NAME: LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

ID Number: 41-0811697

Disallowing Form	Description	Originating Form	Entity/Activity	SV City	Amount
990-T	CURRENT YEAR NET OPERATING LOSS	990-T			183,963.

Worksheet: Form 990 Return of Organization Exempt from Income Tax

Section: Balance Sheet Assets

End of year notes receivable.....549,799

Section: Other Income Producing Activities

Non debt-financed excl code.....16

Non debt-financed excluded inc.....83,025

Section: Statement of Functional Expenses

Officer comp - mgmt & general.....334,349

Worksheet: Depreciation and Amortization Totals (Form 4562)

Section: Summary

Federal total O/R.....3,812,369

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RE                                     26412887.00
EXCESS  REV  OVER  EXP                 6273088.00
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}}}}}}}}}}}}}}
32685975.00

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RE                                     32466172.00
EXCESS  REV  OVER  EXP                 7135691.00
}}}}}}}}}}}}}}
39601863.00

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RETIREMENT                            30,155.00
HEALTH                                  10,585.00
LIFE/DISABILITY                         8,754.00
}}}}}}}}}}}}}}
49,494.00

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PROGRAM SERVICE REVENUE                52494282.00
GAIN ON HIGH POINT INVESTMENT          483,152.00
}}}}}}}}}}}}}}
52977434.00

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LAB                                     3450315.00
LAB                                     1132533.00
}}}}}}}}}}}}}}
4,582,848.00

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MISC                                    729,559.00
HOUSEKEEPING                           37,400.00
}}}}}}}}}}}}}}
766,959.00

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~~~~~
RETIREMENT                9,511.00
HEALTH                    11,005.00
OTHER                     36,214.00
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                          56,730.00
~~~~~

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~~~~~
RETIREMENT                7,023.00
HEALTH                    10,585.00
OTHER                     20,432.00
}}}}}}}}}}}}}}}}}}}}
                          38,040.00
~~~~~

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LARSONALLEN LLP
220 SOUTH SIXTH STREET, SUITE 300
MINNEAPOLIS, MN 55402
612-376-4500

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.
927 WEST CHURCHILL STREET
STILLWATER, MN 55082

DEAR SIR:

ENCLOSED ARE THE ORIGINAL AND ONE COPY OF THE 2006 EXEMPT
ORGANIZATION RETURNS, AS FOLLOWS...

2006 FORM 990

2006 FORM 990-T

EACH ORIGINAL SHOULD BE DATED, SIGNED AND FILED IN ACCORDANCE
WITH THE FILING INSTRUCTIONS. THE COPY SHOULD BE RETAINED
FOR YOUR FILES.

VERY TRULY YOURS,

LARSONALLEN LLP

TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING
SEPTEMBER 30, 2007

Prepared for	LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. 927 WEST CHURCHILL STREET STILLWATER, MN 55082
Prepared by	LARSONALLEN LLP 220 SOUTH SIXTH STREET, SUITE 300 MINNEAPOLIS, MN 55402
Amount due or refund	NOT APPLICABLE
Make check payable to	NOT APPLICABLE
Mail tax return and check (if applicable) to	NOT APPLICABLE
Return must be mailed on or before	NOT APPLICABLE
Special Instructions	THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8879-EO TO OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE IRS. DO NOT MAIL A PAPER COPY OF THE RETURN TO THE IRS.

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

A For the 2006 calendar year, or tax year beginning OCT 1, 2006 and ending SEP 30, 2007

B Check if applicable: C Name of organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. D Employer identification number 41-0811697
E Telephone number 651-439-5330
F Accounting method: Cash
G Website: WWW.LAKEVIEW.ORG
J Organization type 501(c)(3)
K Check here if the organization is not a 509(a)(3) supporting organization
L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 90,795,718.

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

Table with 20 rows detailing Revenue (lines 1-12) and Expenses (lines 13-18) and Net Assets (lines 19-20). Includes sub-rows for contributions, program revenue, membership dues, interest, dividends, rents, and special events.

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Table with 5 columns: Description, (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include 22a-22b, 23-24, 25a-25c, 26-43g, and 44.

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

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [9] Yes [X] No
If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ; (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

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

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

What is the organization's primary exempt purpose? <input checked="" type="checkbox"/> SEE STATEMENT 7	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a SEE STATEMENT 6	
(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/>	67,484,339.
b	
(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/>	
c	
(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	67,484,339.

Form 990 (2006)

Part IV Balance Sheets (See the instructions.)

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

		(A) Beginning of year		(B) End of year	
Assets	45 Cash - non-interest-bearing ~~~~~	2,757,801.	45	7,342,682.	
	46 Savings and temporary cash investments ~~~~~	243,120.	46	256,664.	
	47 a Accounts receivable ~~~~~	47a 24,807,783.	9,770,218.	47c	11,223,346.
	b Less: allowance for doubtful accounts ~~~	47b 13,584,437.			
	48 a Pledges receivable ~~~~~	48a		48c	
	b Less: allowance for doubtful accounts ~~~	48b			
	49 Grants receivable ~~~~~			49	
	50 a Receivables from current and former officers, directors, trustees, and key employees ~~~~~			50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) ~~~~~			50b	
	51 a Other notes and loans receivable <u>STMT-8</u> ~~~~~	51a 549,799.	285,501.	51c	549,799.
	b Less: allowance for doubtful accounts ~~~~~	51b			
	52 Inventories for sale or use ~~~~~		1,398,145.	52	1,618,749.
	53 Prepaid expenses and deferred charges ~~~~~		443,767.	53	687,069.
	54 a Investments - publicly-traded securities ~~~~~	9 <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a	
	b Investments - other securities ~~~~~	9 <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b	
	55 a Investments - land, buildings, and equipment: basis ~~~~~	55a		55c	
	b Less: accumulated depreciation ~~~~~	55b			
	56 Investments - other ~~~~~	E- T-9	2,717,176.	56	2,339,350.
	57 a Land, buildings, and equipment: basis ~~~	57a 63,142,617.	28,483,043.	57c	29,563,537.
b Less: accumulated depreciation ^S ~~~	57b 33,579,080.				
58 Other assets, including program-related investments (describe <input type="checkbox"/> ACCRUED INTEREST)		21,981.	58	32,201.	
59 Total assets (must equal line 74). Add lines 45 through 58		46,120,752.	59	53,613,397.	
Liabilities	60 Accounts payable and accrued expenses ~~~~~	12,905,921.	60	6,047,344.	
	61 Grants payable ~~~~~		61		
	62 Deferred revenue ~~~~~		62		
	63 Loans from officers, directors, trustees, and key employees ~~~~~		63		
	64 a Tax-exempt bond liabilities ~~~~~		64a		
	b Mortgages and other notes payable ~~~~~		64b		
	65 Other liabilities (describe <input type="checkbox"/> SEE STATEMENT 11)		356,492.	65	7,590,362.
66 Total liabilities. Add lines 60 through 65		13,262,413.	66	13,637,706.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted ~~~~~	32,685,975.	67	39,601,863.	
	68 Temporarily restricted ~~~~~	172,364.	68	373,828.	
	69 Permanently restricted ~~~~~		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds ~~~~~		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund ~~~~~		71		
	72 Retained earnings, endowment, accumulated income, or other funds ~~~~~		72		
73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21) ~~~~~		32,858,339.	73	39,975,691.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		46,120,752.	74	53,613,397.	

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

Table with 5 main rows (a-e) and sub-rows for adjustments. Row a: Total revenue, gains, and other support per audited financial statements. Row b: Amounts included on line a but not on Part I, line 12. Row c: Subtract line b from line a. Row d: Amounts included on Part I, line 12, but not on line a. Row e: Total revenue (Part I, line 12). Add lines c and d. Total: 90793956.

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

Table with 5 main rows (a-e) and sub-rows for adjustments. Row a: Total expenses and losses per audited financial statements. Row b: Amounts included on line a but not on Part I, line 17. Row c: Subtract line b from line a. Row d: Amounts included on Part I, line 17, but not on line a. Row e: Total expenses (Part I, line 17). Add lines c and d. Total: 83436963.

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

Table with 5 columns: (A) Name and address, (B) Title and average hours per week devoted to position, (C) Compensation (If not paid, enter -0-), (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1: SEE STATEMENT 12, 284,855, 49,494, 0.

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? ~~~~~ b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) ~~~~~	82a	X
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications? ~~~~~	83a	X
83 b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? ~~~~~	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? ~~~~~	84a	
84 b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? ~~~~~	84b	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? ~~~~~	85a	
85 b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? ~~~~~ If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	
85 c	Dues, assessments, and similar amounts from members ~~~~~	85c	N/A
85 d	Section 162(e) lobbying and political expenditures ~~~~~	85d	N/A
85 e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices ~~~~~	85e	N/A
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e) ~~~~~	85f	N/A
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? ~~~~~	85g	
85 h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? ~~~~~	85h	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 ~~~~~	86a	N/A
86 b	Gross receipts, included on line 12, for public use of club facilities ~~~~~	86b	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders ~~~~~	87a	N/A
87 b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) ~~~~~	87b	N/A
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX ~~~~~	88a	X
88 b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ~~~~~	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
89 b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction ~~~~~	89b	X
89 c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ~~~~~		
89 d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ~~~~~		
89 e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? ~~~~~	89e	X
89 f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract? ~~~~~	89f	X
89 g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? ~~~~~	89g	X
90 a	List the states with which a copy of this return is filed <u>MN</u>		
90 b	Number of employees employed in the pay period that includes March 12, 2006 ~~~~~	90b	717
91 a	The books are in care of <u>DOUGLAS JOHNSON</u> Telephone no. <u>651-430-4581</u> Located at <u>927 CHURCHILL STREET WEST, STILLWATER, MN</u> ZIP + 4 <u>55082</u>		
91 b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? ~~~~~ If "Yes," enter the name of the foreign country <u>N/A</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	91b	X

Part VI	Other Information (continued)		Yes	No
	c At any time during the calendar year, did the organization maintain an office outside of the United States?	91c		X
	If "Yes," enter the name of the foreign country <u>N/A</u>			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year _____	92		N/A

Note: Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a NET PATIENT SERVICE	621500	4,582,848.			52,977,434.
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments ~~~~~					27,291,405.
g Fees and contracts from government agencies ~					
94 Membership dues and assessments ~~~~~					
95 Interest on savings and temporary cash investments ~			14	286,605.	
96 Dividends and interest from securities ~~~~~					
97 Net rental income or (loss) from real estate:					
a debt-financed property ~~~~~					
b not debt-financed property ~~~~~			16	83,025.	
98 Net rental income or (loss) from personal property					
99 Other investment income ~~~~~					
100 Gain or (loss) from sales of assets other than inventory ~~~~~			18	10,638.	
101 Net income or (loss) from special events ~~~~~					
102 Gross profit or (loss) from sales of inventory ~					
103 Other revenue:					
a SEE STATEMENT 15		4,120,677.		1,220,022.	
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E)) ~~~~~		8,703,525.		1,600,290.	80,268,839.
105 Total (add line 104, columns (B), (D), and (E)) ~~~~~					90,572,654.

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	HOSPITAL AND RELATED HEALTH CARE SERVICES PROVIDED PATIENTS.
93F	HOSPITAL AND RELATED HEALTH CARE SERVICES PROVIDED PATIENTS.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)				
(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X	Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)			
(a)	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	~~~~~	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(b)	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	~~~~~	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

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

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)
9 MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

Name of the organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.	Employer identification number 411 0811697
---	---

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
JEFFREY MAANUM 341 GOLFVIEW LANE, AMERY, WI 54001	LEAD ULTRASOUND TECH 40.00	163,494.	15,637.	
MARY E. JONES 790 MIDWEST TRAIN N., LAKE ELMO, MN 55045	RN, WEEKENDER 40.00	140,406.	16,391.	
CYNTHIA APPLESETH 9993 ARCOLA COURT, STILLWATER, MN 55050	PHARMACY DIRECTOR 40.00	130,627.	16,409.	
JODY HYATT 1672 COUNTY ROAD I, SOMERSET, WI 54021	RN, WEEKENDER 40.00	122,721.	16,093.	
JO DIERS 214 EASTBANK CT, NORTH HUDSON, WI 54050	DIRECTOR OF NURSING 40.00	119,130.	9,794.	
Total number of other employees paid over \$50,000	9	240		

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
MIDWEST SLEEP LINK 225 N SMITH AVENUE SUITE 300, ST. PAUL, MN 55102	SLEEP STUDY; PROFESSIONAL FEES	216,700.
TMCK ASSOCIATES 14239 ACKER ROAD, HUDSON, IA 50643	CHARGE CAPTURE AUDIT AND RECOVER	214,491.
NELSON & ANDERSON CREATIVE GROUP 123 2ND STREET N, STILLWATER, MN 55082	MARKETING AND ADVERTISING	149,043.
NORTHERN COUNTIES SECRETARIAL SERVICES 6139 157TH LANE NW SUITE 501, RAMSEY, MN 55303	TRANSCRIPTION SERVICES	137,669.
FAF ADVISORS, INC 800 NICOLLET MALL, MINNEAPOLIS, MN 55402	INVESTMENT SERVICES	125,732.
Total number of others receiving over \$50,000 for professional services	9	9

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
QUEST DIAGNOSTICS PO BOX 12989, CHICAGO, IL 60693	LAB TESTS/SERVICES	456,385.
ST. PAUL HEART CLINIC 225 SMITH AVE N, ST. PAUL, MN 55102	EQUIPMENT RENTAL/TECHICIAN	334,380.
CENTURIA COMMERCIAL LAUNDRY 213 STATE RD 35, CENTURIA, WI 54824	LAUNDRY SERVICES	205,601.
ADP 12200 WEBER HILL RD, ST. LOUIS, MO 63127	PAYROLL SERVICES	88,497.
ALLINA MEDICAL LABORATORIES PO BOX 43, MAIL ROUTE 10409, MINNEAPOLIS, MN 55444	LAB TESTS/SERVICES	63,770.
Total number of other contractors receiving over \$50,000 for other services	9	0

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

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

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

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

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **J** _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

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

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

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

Calendar year (or fiscal year beginning in) ~~~~~ J	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) ~~~~~					
16 Membership fees received ~~~					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge ~~~					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22 ~~~	0.	0.	0.	0.	0.
24 Line 23 minus line 17 ~~~~~					
25 Enter 1% of line 23 ~~~~~					
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ~~~~~ J					26a N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ~~~~~ J					26b N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e) ~~~~~ J					26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ ~~~ J					26d N/A
e Public support (line 26c minus line 26d total) ~~~~~ J					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ~~~~~ J					26f N/A %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2005) ~~~~~ (2004) ~~~~~ (2003) ~~~~~ (2002) ~~~~~					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2005) ~~~~~ (2004) ~~~~~ (2003) ~~~~~ (2002) ~~~~~					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ~ J					27c N/A
d Add: Line 27a total ~ _____ and line 27b total ~~~~~ ~ J					27d N/A
e Public support (line 27c total minus line 27d total) ~~~~~ J					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ~~~ J					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ~~~~~ J					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ~~~ J					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 9 of the instructions.) N/A
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? ~~~~~		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? ~~~~~		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? ~~~~~ If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		

32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff? ~~~~~	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? ~~~~~	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? ~~~~~	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? ~~~~~ If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)	32d	

33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges? ~~~~~	33a	
b	Admissions policies? ~~~~~	33b	
c	Employment of faculty or administrative staff? ~~~~~	33c	
d	Scholarships or other financial assistance? ~~~~~	33d	
e	Educational policies? ~~~~~	33e	
f	Use of facilities? ~~~~~	33f	
g	Athletic programs? ~~~~~	33g	
h	Other extracurricular activities? ~~~~~ If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)	33h	

34 a	Does the organization receive any financial aid or assistance from a governmental agency? ~~~~~	34a	
b	Has the organization's right to such aid ever been revoked or suspended? ~~~~~ If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	

35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.) N/A
 (To be completed ONLY by an eligible organization that filed Form 5768)

Check 9 if the organization belongs to an affiliated group. Check 9 if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Affiliated group totals	(b) To be completed for all electing organizations
	N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying) ~~~~~	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying) ~~~~~	37	
38 Total lobbying expenditures (add lines 36 and 37) ~~~~~	38	
39 Other exempt purpose expenditures ~~~~~	39	
40 Total exempt purpose expenditures (add lines 38 and 39) ~~~~~	40	
41 Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is - The lobbying nontaxable amount is -		
Not over \$500,000 ~~~~~ 20% of the amount on line 40 ~~~~~		
Over \$500,000 but not over \$1,000,000 ~~~~~ \$100,000 plus 15% of the excess over \$500,000 ~~~~~		
Over \$1,000,000 but not over \$1,500,000 ~~~~~ \$175,000 plus 10% of the excess over \$1,000,000 ~~~~~	41	
Over \$1,500,000 but not over \$17,000,000 ~~~~~ \$225,000 plus 5% of the excess over \$1,500,000 ~~~~~		
Over \$17,000,000 ~~~~~ \$1,000,000 ~~~~~		
42 Grassroots nontaxable amount (enter 25% of line 41) ~~~~~	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 ~~~~~	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 ~~~~~	44	

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) <u>9</u>	Lobbying Expenditures During 4-Year Averaging Period				N/A (e) Total
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers ~~~~~		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.) ~~~~~		X	
c Media advertisements ~~~~~		X	
d Mailings to members, legislators, or the public ~~~~~		X	
e Publications, or published or broadcast statements ~~~~~		X	
f Grants to other organizations for lobbying purposes ~~~~~		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body ~~~~~		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means ~~~~~		X	
i Total lobbying expenditures (Add lines c through h.) ~~~~~			0.

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

Schedule B

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

Department of the Treasury Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2006

Name of organization

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.

Employer identification number

41-0811697

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 \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

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

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

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

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

Name of organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.	Employer identification number 41-0811697
--	---

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<p>ANDERSON FOUNDATION</p> <hr/> <p>2424 TERRITORIAL RD</p> <hr/> <p>ST. PAUL, MN 55114</p>	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
11	LAND IMPROVEMENT	VARIES		.000	16	272,744.			272,744.	235,250.		0.
12	BUILDINGS	VARIES		.000	16	36,137,678.			36,137,678.	16,784,148.		0.
13	MOVEABLE EQUIPMENT	VARIES		.000	16	22,072,520.			22,072,520.	15,386,260.		0.
14	FIXED EQUIPMENT	VARIES		.000	16	1,389,262.			1,389,262.	1,173,422.		0.
15	LAND	VARIES		.000	16	3,270,413.			3,270,413.			0.
	* TOTAL 990 PAGE 2 DEPR					63,142,617.		0.	63,142,617.	33,579,080.	0.	0.

FOOTNOTES

STATEMENT 1

PROPERTY AND EQUIPMENT ARE DEPRECIATED USING THE STRAIGHT
LINE METHOD OF DEPRECIATION OVER THE ESTIMATED USEFUL LIFE
OF THE ASSET.

}}

}}

FORM 990 RENTAL INCOME STATEMENT 2

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
WARFARIN CLINIC - PHARMACY	1	7,415.
CARDIAC CLINIC RENTAL INCOME	2	75,020.
SPEC CLINIC LEASE INCOME	3	590.
TOTAL TO FORM 990, PART I, LINE 6A		83,025.

LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.
}}

41-0811697
}}

BORROWER'S NAME TERMS OF REPAYMENT
}}
ULTRASOUND WI HOSPITALS

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE	FMV OF CONSIDERATION
}}}}}}}}}}	}}}}}}}}}}	}}	}}	}}
		0.	.00%	0.

SECURITY PROVIDED BY BORROWER PURPOSE OF LOAN
}}

RELATIONSHIP OF BORROWER	DESCRIPTION OF CONSIDERATION	DOUBTFUL ACCT ALLOWANCE	BALANCE DUE
}}	}} FOR SERVICES PROVIDED BY LAKEVIEW	}} 0.	}} 61,035.

BORROWER'S NAME TERMS OF REPAYMENT
}}
ST. PAUL HEART

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE	FMV OF CONSIDERATION
}}}}}}}}}}	}}}}}}}}}}	}}	}}	}}
		0.	.00%	0.

SECURITY PROVIDED BY BORROWER PURPOSE OF LOAN
}}

RELATIONSHIP OF BORROWER	DESCRIPTION OF CONSIDERATION	DOUBTFUL ACCT ALLOWANCE	BALANCE DUE
}}	}} FOR SERVICES PROVIDED BY LAKEVIEW	}} 0.	}} 18,755.

TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING
SEPTEMBER 30, 2007

Prepared for	LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. 927 WEST CHURCHILL STREET STILLWATER, MN 55082
Prepared by	LARSONALLEN LLP 220 SOUTH SIXTH STREET, SUITE 300 MINNEAPOLIS, MN 55402
Amount due or refund	NO AMOUNT IS DUE. THE ORGANIZATION WILL RECEIVE A REFUND IN THE AMOUNT OF \$1
Make check payable to	NO AMOUNT IS DUE.
Mail tax return and check (if applicable) to	INTERNAL REVENUE SERVICE CENTER OGDEN, UT 84201-0027
Return must be mailed on or before	FEBRUARY 15, 2008
Special Instructions	THE RETURN SHOULD BE SIGNED AND DATED.

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

2006

Department of the Treasury Internal Revenue Service

For calendar year 2006 or other tax year beginning OCT 1, 2006 and ending SEP 30, 2007

Open to Public Inspection for 501(c)(3) Organizations Only

Form 990-T header section containing: A Check box if address changed; B Exempt under section 501(c)(3); C Book value of all assets at end of year; D Employer identification number; E Unrelated business activity codes; F Group exemption number; G Check organization type.

H Describe the organization's primary unrelated business activity. SEE STATEMENT 16

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No

J The books are in care of DOUGLAS JOHNSON Telephone number 651-430-4581

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 1a Gross receipts or sales, 1c Less returns and allowances, 2 Cost of goods sold, 3 Gross profit, 4a-4c Capital gain/loss, 5-12 Other income, 13 Total.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 14 Compensation of officers, 15 Salaries and wages, 16-19 Repairs, bad debts, interest, taxes, 20-22 Charitable contributions, depreciation, 23-27 Depletion, benefit programs, excess expenses, 28-34 Other deductions, net operating loss, specific deduction.

Part III Tax Computation

Table with 3 columns: Description, Line Number, Amount. Includes rows for Organizations Taxable as Corporations, Trusts Taxable at Trust Rates, Proxy tax, Alternative minimum tax, and Total.

Part IV Tax and Payments

Table with 3 columns: Description, Line Number, Amount. Includes rows for Foreign tax credit, Other credits, General business credit, Total credits, Other taxes, Total tax, Payments, and Total payments.

Part V Statements Regarding Certain Activities and Other Information (See instructions on page 18)

Table with 3 columns: Question, Yes, No. Includes questions about foreign accounts, foreign trusts, and tax-exempt interest.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation N/A

Table with 3 columns: Description, Line Number, Amount. Includes rows for Inventory at beginning/end of year, Purchases, Cost of labor, and Total.

Sign Here: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Preparer's information section including signature, date, title, firm name (LARSONALLEN LLP), address (220 SOUTH SIXTH STREET, SUITE 300), and phone number (612-376-4500).

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instr. on pg 20)

1 Description of property		2 Rent received or accrued		3 Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)	(2)	(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)				
(2)				
(3)				
(4)				
Total		0.	Total 0.	
Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)				Total deductions. Enter here and on page 1, Part I, line 6, column (B)
				0.

Schedule E - Unrelated Debt-Financed Income (See instructions on page 20)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		
		(a) Straight-line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
			0.	0.
Total dividends-received deductions included in column 8				0.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (See instructions on page 21)

1 Name of Controlled Organization	2 Employer Identification Number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column (5)
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7 Taxable Income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
			0.	0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
(see instructions on page 22)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
Totals	9	0		0

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
(see instructions on page 22)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals	9	0	0			0

Schedule J - Advertising Income (see instructions on page 23)

Part I Income From Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	9	0	0			0

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I	0	0				0
Totals, Part II (lines 1-5)	9	0	0			0

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 23)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
			%
			%
			%
			%
Total. Enter here and on page 1, Part II, line 14			9

Depreciation and Amortization 990 (Including Information on Listed Property)

9 See separate instructions. 9 Attach to your tax return.

Name(s) shown on return: LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. Business or activity to which this form relates: FORM 990 PAGE 2 Identifying number: 41-0811697

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

1 Maximum amount. See the instructions for a higher limit for certain businesses 108,000. 2 Total cost of section 179 property placed in service (see instructions) 2. 3 Threshold cost of section 179 property before reduction in limitation 430,000. 4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- 4. 5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions 5. 6 (a) Description of property (b) Cost (business use only) (c) Elected cost. 7 Listed property. Enter the amount from line 29 7. 8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 8. 9 Tentative deduction. Enter the smaller of line 5 or line 8 9. 10 Carryover of disallowed deduction from line 13 of your 2005 Form 4562 10. 11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 11. 12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 12. 13 Carryover of disallowed deduction to 2007. Add lines 9 and 10, less line 12 9 13.

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

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

14 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year 14. 15 Property subject to section 168(f)(1) election 15. 16 Other depreciation (including ACRS) 16.

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

Section A 17 MACRS deductions for assets placed in service in tax years beginning before 2006 17. 18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here J +

Section B - Assets Placed in Service During 2006 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows include 19a 3-year property, b 5-year property, c 7-year property, d 10-year property, e 15-year property, f 20-year property, g 25-year property, h Residential rental property, i Nonresidential real property.

Section C - Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System

Table with 7 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows include 20a Class life, b 12-year, c 40-year.

Part IV Summary (see instructions)

21 Listed property. Enter amount from line 28 21. 22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr. 22 0. 23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs 23.

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.) Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

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

Table with columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost. Includes rows 25-29.

Section B - Information on Use of Vehicles

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

Table with columns: (a) Vehicle, (b) Vehicle, (c) Vehicle, (d) Vehicle, (e) Vehicle, (f) Vehicle. Includes rows 30-36.

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

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

Table with columns: Yes, No. Includes rows 37-41.

Part VI Amortization

Table with columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.

Depreciation and Amortization 990 (Including Information on Listed Property)

Department of the Treasury Internal Revenue Service

9 See separate instructions. 9 Attach to your tax return.

Attachment Sequence No. 67

Name(s) shown on return: LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. Business or activity to which this form relates: FORM 990 PAGE 2 Identifying number: 41-0811697

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

Table with 5 rows for Section 179 election details. Line 1: 108,000. Line 3: 430,000.

Table with 3 columns: (a) Description of property, (b) Cost (business use only), (c) Elected cost. Includes line 7.

Table with 13 rows for Section 179 expense deduction calculations. Line 12: 9. Line 13: 9.

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

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

Table with 3 rows for Special Depreciation Allowance and Other Depreciation. Lines 14, 15, 16.

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

Section A Table with 2 rows for MACRS deductions. Line 17, 18.

Section B - Assets Placed in Service During 2006 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes lines 19a-i.

Section C - Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System

Table with 7 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes lines 20a-c.

Part IV Summary (see instructions)

Table with 3 rows for Summary. Line 21, 22: 3,812,369. Line 23.

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.) Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

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

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

Table with columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost.

25 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use 25

26 Property used more than 50% in a qualified business use: Table with columns for percentage and cost.

27 Property used 50% or less in a qualified business use: Table with columns for percentage and cost.

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

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

Table for Section B with columns (a) through (f) for miles driven and availability questions (30-36).

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

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

Table for Section C with questions 37-41 and Yes/No columns.

Part VI Amortization

Table with columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year.

42 Amortization of costs that begins during your 2006 tax year:

43 Amortization of costs that began before your 2006 tax year 43

44 Total. Add amounts in column (f). See the instructions for where to report 44

Form 8879-EO

IRS e-file Signature Authorization for an Exempt Organization

OMB No. 1545-1878

For calendar year 2006, or fiscal year beginning OCT 1, 2006, and ending SEP 30, 2007

2006

Department of the Treasury Internal Revenue Service

Do not send to the IRS. Keep for your records. See instructions.

Return ID (20-digit number) = N/A

Name of exempt organization LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC. Employer identification number 41-0811697

Name and title of officer DOUG JOHNSON, CFO CFO

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount from the return if any. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line for the return for which you are filing this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than 1 line in Part I.

1a Form 990 check here [X] b Total revenue, if any (Form 990, line 12) ~~~~~ 1b 90793956
2a Form 990-EZ check here [] b Total revenue, if any (Form 990-EZ, line 9) ~~~~~ 2b
3a Form 1120-POL check here [] b Total tax (Form 1120-POL, line 22) ~~~~~ 3b
4a Form 990-PF check here [] b Tax Based on Investment Income (Form 990-PF, Part VI, line 5) ~~~ 4b
5a Form 8868 check here [] b Balance Due (Form 8868, line 3c) ~~~~~ 5b

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2006 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

[X] I authorize LARSONALLEN LLP to enter my PIN 12345 as my signature on the organization's tax year 2006 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

[] As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2006 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature [] ***** THIS IS NOT A FILEABLE COPY ***** Date []

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. 41312709876 do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2006 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4206, Information for Authorized IRS e-file Providers of Exempt Organization Filings.

ERO's signature [] Date []

ERO Must Retain This Form - See Instructions Do Not Submit This Form To the IRS Unless Requested To Do So

Attach to your income tax return.

Name(s) as shown on your income tax return LAKEVIEW MEMORIAL HOSPITAL ASSOC., INC.	Identifying number 41-0811697
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Enter the federal telephone excise tax billed during each period as listed in column (a) of lines 1-14 below.
By filing this form, you are certifying that you (1) have not received from your service provider a credit or refund of the tax paid on long distance service or bundled service billed after February 28, 2003, and before August 1, 2006, and (2) will not ask your provider for a credit or refund or have withdrawn any request submitted to the provider for a credit or refund.
Caution. See the instructions for explanations of the services that qualify for a credit or refund of the federal telephone excise tax.

Amount of federal excise tax on long distance or bundled service only

(a) Bills dated during:	(b) Long distance service	(c) Bundled service	(d) Tax credit or refund (add columns (b) and (c))	(e) Interest (see instructions)
1 March, April, and May 2003	\$	\$	\$	\$
2 June, July, and August 2003				
3 September, October, and November 2003				
4 December 2003; January and February 2004				
5 March, April, and May 2004				
6 June, July, and August 2004				
7 September, October, and November 2004				
8 December 2004; January and February 2005				
9 March, April, and May 2005				
10 June, July, and August 2005				
11 September, October, and November 2005				
12 December 2005; January and February 2006				
13 March, April, and May 2006				
14 June and July 2006		1.	1.	
15 Add lines 1 - 14 in columns (d) and (e)			\$ 1.	\$
16 Total credit or refund requested. Add columns (d) and (e) on line 15. Enter here and on Form 1040, line 71; Form 1040A, line 42; Form 1040EZ, line 9; Form 1040EZ-T, line 1a; Form 1040NR, line 69; Form 1040NR-EZ, line 21; Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23d; Form 1041, line 24f; Form 1041-N, line 17; Form 1065, line 23; Form 990-T, line 44f; or the proper line of other returns				\$ 1.

LHA For Paperwork Reduction Act Notice, see the instructions.