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**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

OMB No. 1545-0052

Department of the Treasury
Internal Revenue Service

2008

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2008, or tax year beginning 1 October, 2008, and ending 30 September 2009G Check all that apply Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation FELCO Foundation, Inc	A Employer identification number 03 0340737
	Number and street (or P.O. box number if mail is not delivered to street address) PO Box 96	Room/suite
	City, town, state, and ZIP code Franklin VT 05457-0096	

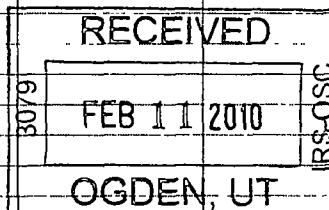
H Check type of organization	<input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation	B Telephone number (see page 10 of the instructions) (802) 285 9414
	<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation	

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 108 283.38	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) <i>(Part I, column (d) must be on cash basis)</i>	E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/>
		D 1. Foreign organizations, check here ► <input type="checkbox"/>
		2 Foreign organizations meeting the 85% test check here and attach computation ► <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B) check here ► <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))</i>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes <i>(cash basis only)</i>
---	--	------------------------------	----------------------------	---

1 Contributions, gifts, grants, etc. received (attach schedule)	3542.50			
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B	26.40			
3 Interest on savings and temporary cash investments	2870.66			
4 Dividends and interest from securities				
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)				
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	6439.66	2897.06		

Revenue				
13 Compensation of officers, directors, trustees, etc				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions)				
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)				
24 Total operating and administrative expenses.				
Add lines 13 through 23				
25 Contributions, gifts, grants paid Scholarships	104.00			
26 Total expenses and disbursements. Add lines 24 and 25	400.00			
27 Subtract line 26 from line 12	504.00			
a Excess of revenue over expenses and disbursements	5935.36			
b Net investment income (if negative, enter -0-)				
c Adjusted net income (if negative, enter -0-)		2897.06		



Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	1980.19	5045.09	5045.09	
	2	100369.63	103240.29	103240.29	
	3				
	4				
	5				
	6				
	7				
	8				
	9				
	10a				
	b				
	c				
	11				
	12				
	13				
	14				
15					
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	102349.82	108285.38	108285.38	
Liabilities	17				
	18				
	19				
	20				
	21				
	22				
	23	Total liabilities (add lines 17 through 22)			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	102349.82	108285.38		
	25				
	26				
	Foundations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 27 through 31.				
	27				
	28				
	29				
	30	Total net assets or fund balances (see page 17 of the instructions)	102349.82	108285.38	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	102349.82	108285.38	

Part III Analysis of Changes in Net Assets or Fund Balances

- 1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)
- 2 Enter amount from Part I, line 27a
- 3 Other increases not included in line 2 (itemize) ►
- 4 Add lines 1, 2, and 3
- 5 Decreases not included in line 2 (itemize) ►
- 6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30

1	102349.82
2	5935.56
3	0
4	108285.38
5	0
6	108285.38

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g. real estate, 2-story brick warehouse, or common stock 200 sns MLC Co.)			(b) How acquired P -Purchase D -Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a	<i>None</i>				
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from Col (h))		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8			3		

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2007	504.00	105675.98460	.0048, .0051
2006	16078.60	99190	.1621
2005	57.72	95214	.0006
2004	29.93	88675	.0003
2003	99.82	85198	.0012

2 Total of line 1, column (d)

2 *1690.1693*

3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years

3 *.3388, .0339*

4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5

4 *104090.*

5 Multiply line 4 by line 3

5 *3578.3529*

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 *29.*

7 Add lines 5 and 6

7 *3547.3558*

8 Enter qualifying distributions from Part XII, line 4

8 *504.*

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling letter (attach copy of ruling letter if necessary—see instructions)	1	58 00
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b		
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0
3	Add lines 1 and 2	3	58 00
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	58 00
6	Credits/Payments		
a	2008 estimated tax payments and 2007 overpayment credited to 2008	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed ► 9	9	58 00
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid ► 10	10	
11	Enter the amount of line 10 to be Credited to 2009 estimated tax ► Refunded ► 11	11	

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
1c	Did the foundation file Form 1120-POL for this year?		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ► \$ <u>NA</u> (2) On foundation managers ► \$ <u>NA</u>		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ <u>NA</u>		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities. — See attached description.</i>	X	
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	X	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?		
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► <u>Vermont</u>		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>	X	
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	X	

Part VII-A Statements Regarding Activities (continued)

11		X
12		X
13	X	

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)

12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► *N/A*

14 The books are in care of ► *Hugh H. Gates for Kimberly Gates Maynard* Telephone no ► *802 285 9914*
Located at ► *5217 Main Street, Franklin, VT* ZIP+4 ► *05457 -0096*

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ► *15*

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <i>N/A</i>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?		
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? If "Yes," list the years ► <i>20 20 20 20 07</i>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions)		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► <i>20 20 20 20 N/A</i>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If "Yes," did it have excess business holdings in 2008 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008)		
3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?		
4b		

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc. organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes or for the prevention of cruelty to children or animals? Yes No

b If any answer is 'Yes' to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here. ►

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **NA** Yes No

If "Yes," attach the statement required by Regulations section 53.4945–5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If you answered 'Yes' to 6b, also file Form 8870

7a At any time during the tax year was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **NA**

5b 6b 7b **NA****Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Hugh H. Gates 1302 Lake Road, Franklin VT 05457	President 1/10	0	0	0
Richard G. Davis 685 S La Posada, Greene Valley AZ 85614	Director 1/100	0	0	0
Carroll G. Hull P.O. Box 431, Enosburgh Falls VT 05450-0431	V. President 1/100	0	0	0
Kimberly Gates, Maryland PO Box 76, Franklin VT 05457-0076	Treasurer 1/200	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account other allowances
None				
Robert B. Irish 1909 Barnum Road, Franklin VT 05457	Secretary 1/600	0	0	0
Suzanne Hull Parent 92 Orchard Street, Enosburgh Falls VT 05450	Director 1/700	0	0	0

Total number of other employees paid over \$50,000

► **NA/0**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)
3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None or N/A		

Total number of others receiving over \$50,000 for professional services

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Expenses

1	A cash scholarship (Grant) was awarded to Dena Vaillancourt, a Missisquoi Valley Union (MVU) high school graduate to aid in her continuing college education. She was the winner of a competitive grant application process for graduating seniors from the Town of Franklin, Vermont.	400.00
3		
4		

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

1	None	
2		
3		

All other program-related investments. See page 24 of the instructions.

3		
Total. Add lines 1 through 3		

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

- 1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes

1a	0
1b	105 675
1c	0
1d	105 675
- a Average monthly fair market value of securities
- b Average of monthly cash balances
- c Fair market value of all other assets (see page 24 of the instructions)
- d **Total** (add lines 1a, b, and c)
- e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) **1e** 0
- 2 Acquisition indebtedness applicable to line 1 assets **2** 0
- 3 Subtract line 2 from line 1d **3** 105 675
- 4 Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see page 25 of the instructions) **4** 1585
- 5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4 **5** 104 090
- 6 **Minimum investment return.** Enter 5% of line 5 **6** 5204

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ► and do not complete this part)

- 1 Minimum investment return from Part X, line 6 **1** 5204
- 2a Tax on investment income for 2008 from Part VI, line 5 **2a** 58
- b Income tax for 2008. (This does not include the tax from Part VI) **2b** 0
- c Add lines 2a and 2b **2c** 58
- 3 Distributable amount before adjustments Subtract line 2c from line 1 **3** 5146
- 4 Recoveries of amounts treated as qualifying distributions **4** 0
- 5 Add lines 3 and 4 **5** 5146
- 6 Deduction from distributable amount (see page 25 of the instructions) **6** 0
- 7 **Distributable amount as adjusted** Subtract line 6 from line 5 Enter here and on Part XIII, line 1 **7** 5146

Part XII Qualifying Distributions (see page 25 of the instructions)

- 1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:

1a	504
1b	0
- a Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26
- b Program-related investments—total from Part IX-B
- 2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes **2** 0
- 3 Amounts set aside for specific charitable projects that satisfy the

3a	0
3b	0
- a Suitability test (prior IRS approval required)
- b Cash distribution test (attach the required schedule)
- 4 **Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 **4** 504.
- 5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions) **5** 0
- 6 **Adjusted qualifying distributions.** Subtract line 5 from line 4 **6** 504.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				5146
2 Undistributed income, if any, as of the end of 2007			2390	
a Enter amount for 2007 only		0		
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2008				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2008 from Part XII, line 4. ► \$			5040	
a Applied to 2007, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		—		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	—			
d Applied to 2008 distributable amount				0
e Remaining amount distributed out of corpus	—			0
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			
6 Enter the net total of each column as indicated below:	0			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			1886	
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2009				5746
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	0			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling				N.A.
1b	Check box to indicate whether the foundation is a private operating foundation described in section				<input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				
2b	85% of line 2a				
2c	Qualifying distributions from Part XII, line 4 for each year listed				
2d	Amounts included in line 2c not used directly for active conduct of exempt activities				
2e	Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c				
3	Complete 3a, b, or c for the alternative test relied upon				
3a	"Assets" alternative test—enter				
3a(1)	Value of all assets				
3a(2)	Value of assets qualifying under section 4942(j)(3)(B)(i)				
3b	"Endowment" alternative test—enter ½ of minimum investment return shown in Part X line 6 for each year listed				
3c	"Support" alternative test—enter				
3c(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
3c(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)				
3c(3)	Largest amount of support from an exempt organization				
3c(4)	Gross investment income				

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 27 of the instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2).)

N.A.

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

N.A.

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ► if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed:

Hugh H. Gates, President, FELCO Foundation, PO Box 96, Franklin VT 05457-0096 / 802 285 9914

b The form in which applications should be submitted and information and materials they should include.

See attached Grant & Scholarship Application Forms

c Any submission deadlines:

No for Grants, Yes for Scholarships

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Yes! The grant for scholarships must be beneficial to the community of Franklin, Vermont or Franklin Vermont college student.

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
Dena Veillancourt 481 Kimball Road Enosburgh Falls VT 05450	None	N.A.	College Education	\$ 400.00
Total				► 3a 400.00
b Approved for future payment				
1. Same as above	None.	N.A.	College Education	600.00
2. Danielle Magnant 4826 Horns Road Franklin VT 05457	None	NA	College Education	50.00
3. Heather Cutting 4584 Main Street Franklin VT 05457	None	N.A.	College Education	50.00
Total				► 3b 700.00

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

1 Program service revenue

a _____
 b _____ *None* _____
 c _____
 d _____
 e _____
 f _____

g Fees and contracts from government agencies**2 Membership dues and assessments****3 Interest on savings and temporary cash investments****4 Dividends and interest from securities****5 Net rental income or (loss) from real estate.**

a Debt-financed property
 b Not debt-financed property

6 Net rental income or (loss) from personal property**7 Other investment income****8 Gain or (loss) from sales of assets other than inventory****9 Net income or (loss) from special events****10 Gross profit or (loss) from sales of inventory****11 Other revenue:**

a _____
 b _____
 c _____
 d _____
 e _____

12 Subtotal Add columns (b), (d), and (e)**13 Total** Add line 12, columns (b), (d), and (e)

(See worksheet in line 13 instructions on page 28 to verify calculations)

13 _____

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼ Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions.)

N.A.

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

	Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a Transfers from the reporting foundation to a noncharitable exempt organization of		
(1) Cash	✓	
(2) Other assets	✗	
b Other transactions		
(1) Sales of assets to a noncharitable exempt organization	✗	
(2) Purchases of assets from a noncharitable exempt organization	✗	
(3) Rental of facilities, equipment, or other assets	✗	
(4) Reimbursement arrangements	✗	
(5) Loans or loan guarantees	✗	
(6) Performance of services or membership or fundraising solicitations		
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees		
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		
1a(1)	✗	
1a(2)	✗	
1b(1)	✗	
1b(2)	✗	
1b(3)	✗	
1b(4)	✗	
1b(5)	✗	
1b(6)	✗	
1c	✗	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule

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

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 or fiduciary) is based on all information of which preparer has any knowledge.

Sign Here

 <u>Hugh H. Gates</u> Signature of officer or trustee		 22 January 2009	 President	
		Date	Title	
 Paid  Preparer's Use Only	 Preparer's signature	Date	 Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see Signature on page 30 of the instructions)
 Firm's name (or yours if self-employed), address, and ZIP code			 EIN	 Phone no ()

FELCO Foundation, Inc - 030340737

Attached Schedules To Form 990-PF for 2008

Part I-1 No one contributor exceeded the \$5000 threshold.

Part I-18 IAS Taxes paid - \$76.00

Part I-23 Other Expenses - \$18.00 for checkbook with custom checks.

Part VII-A-2 The FELCO Foundation started a competitive scholarship for high school graduates from the community of Franklin Vermont. A copy of the application form is attached.

FORUM CLASSIFIED

Missing Child Ctr Hotline
1-800-843-5678

County Courier CLASSIFIED

Submit your classified ad(s) to us at 933-4375 (phone), 933-4907 (fax), or countycourier@gmail.com

LEGAL NOTICES

PUBLIC NOTICE

The annual report of the FELCO Foundation is available at the office of Hugh H. Gates, PO Box 137, Franklin, VT 05457 (Tel. 802-285-9914) for inspection during regular business hours by any citizen who requests such an inspection within 180 days after publication of this notice.

TOWN OF RICHFORD, VERMONT NOTICE OF HEARING FOR VARIANCE

MATTHEW DERBY, of 31 Hamilton Place, Ext., Richford, VT has submitted an application for a variance for property located at 19 Lucas Road in the Town of Richford, VT.

The proposed project is described as follows: Moving a camp onto this lot.

The Town of Richford Zoning Board of Adjustment will hold a hearing on this application on February 9, 2010 at 7 p.m. at the Richford Town Hall. A copy of the application and additional information may be obtained at the Richford Town Zoning Office.

Pursuant to 24 V.S.A. 4464(a)(1)(C) and 4471 (a), participation in this local proceeding is a prerequisite to the right to take any subsequent appeal.

Dated at Richford, Vermont this 21st day of January, 2010.

Ann E. Lavery
Acting Zoning Administrator

Town of Richford, Vermont

WARNING FOR ANNUAL TOWN MEETING AND SCHOOL DISTRICT MEETING

The legal voters of the Town of Franklin and the School District are hereby warned and notified to meet in the Franklin Central School on Tuesday, March 2, 2010 at ten o'clock in the forenoon to transact the following business:

1. To elect a moderator for the ensuing year.
2. To receive and act upon the reports of the several town officers.
3. To see if the voters will vote an adequate sum of money to meet current expenses, deficit, and debt payment of the town as indicated in the proposed municipal budget.
4. To see if the voters will approve an increase to the veteran's exemption amount from \$10,000 of appraised value to \$20,000 of appraised value in accord with 32 V.S.A. §3802(11) first effective for the April 1, 2010 tax year?
5. To elect the following town officers:
 1. One selectboard member for a term of three years. (by ballot)
 2. One selectboard member for a term of two years. (by ballot)
 3. One lister for a term of three years. (by ballot)
 4. One auditor for a term of three years. (by ballot)
 5. A trustee of public money.
 6. A trustee of the Hanton Library Fund.
 7. Two Hanton Library trustees for terms of three years.
8. A collector of debts for a term of one year.
9. A constable for a term of one year.
10. A town agent to defend suits in which the town is a party.
11. One or more assessors for a term of three years.
12. One representative for the Franklin Homestead, Franklin School, and Franklin School for a term of three years.
13. To elect a moderator for the RECESS REGULAR AND ENTER TOWN MEETING.
14. To elect a moderator for the RECESS REGULAR AND ENTER TOWN MEETING.
15. To act upon the directors.
16. Will the voters School District appropriate and necessary for the Elementary School beginning July 1, 2011?
17. To elect one for a term of three years.
18. Will the voters School District appropriate and necessary for the Elementary School beginning July 1, 2011?
19. To elect one for a term of three years.
20. Will the voters School District appropriate and necessary for the Elementary School beginning July 1, 2011?
21. To transact such other business as may be authorized to be transacted at an appropriate and convenient time.

RECESS TO
MEETING AN
TOWN MEETING

GRANT APPLICATION FORM

FELCO FOUNDATION
P.O. Box 96
FRANKLIN, VT 05457

Name and address of organization applying for grant:

(phone)

What segment of population will be served (i.e. youth, elderly, families, disable, etc.):

Fiscal year: _____ Total annual budget: \$_____

Market value of endowment (if any): \$_____

Project for which funds are sought: _____

Project director: _____ (phone) _____

Project budget: \$_____

Amount requested from FELCO Foundation: \$_____

What funds from other sources have been received or are under consideration for this project:

Received _____ Under Consideration _____

Briefly summarize your proposal/project and state how it will provide some public service in the town of Franklin, Vermont. (attach separate page if necessary):

Describe what you hope the direct results of your project will be.

What are the plans for continuing funding if project is expected to last more than one year?

How will you measure success?

How will your project serve in some way to permanently record some history of the Franklin Electric Light Company, commemorate the contributions of its employees, or memorialize key individuals?

Will you provide a written report of your project to FELCO Foundation when it is completed? _____ When will that be? _____

Signature and Title

Date

"The FELCO Foundation is organized for the purpose of perpetuating the public service provided by the Franklin Electric Light Company to the Town of Franklin, Vermont, through gifts, grants, or loans to community development organizations, where the history of the company can be permanently recorded, the contributions of all employees commemorated and those of key individuals memorialized."



FELCO Foundation Scholarship

Judging

Applications will be evaluated by members of the Gates family.

Scoring of applications will be as follows:

1. Academic Achievement (15 points)
2. Education Plans (10 points)
3. Employment and/or School Involvement (15 points)
4. Character and Citizenship (20 points)
5. Essay Question Answers (40 points)
6. Bonus Project (10 points)

Announcement and Presentation of Award

The scholarship winner will be announced at the Franklin Memorial Day Exercise

\$400 of the award will be presented at the Franklin Alumni Banquet. The remaining \$600 will be awarded upon successful completion of the first semester of college or trade school.



FELCO Foundation Scholarship

Background

Paul and Vera Gates, with other local investors, built the Franklin Electric Light Company (FELCO) in the 1920s to serve the town of Franklin. This scholarship was created to memorialize the members of the Paul and Vera Gates family and all of the employees of FELCO who have valued our small community, service to that community, and living life to the fullest.

Those who have developed and support this scholarship do so in hopes of preserving those values and traits of character that have made Franklin, Vermont, a caring, compassionate, and supportive community.

Eligibility

In order to be considered for this scholarship.

1. Applicants must be a current resident of Franklin, Vermont
2. Applicants must be a graduating high school or home-schooled senior
3. Applicants must plan to continue on to college or trade school.

Descendants of the Paul and Vera Gates family are not eligible to receive this award

Application Materials

Applicants must submit the following:

1. Completed application form with essay question answers
2. Copy of transcript (if available)
3. Two recommendations from school or community leaders

ALL FRANKLIN SENIORS ARE ENCOURAGED TO APPLY

Application Deadline

All application materials must be received by 5 P M on May 10th.

The application form, essay question answers and recommendations should be in a sealed envelope marked "Confidential – FELCO Foundation Scholarship"

Materials may be dropped off in person at the Franklin Telephone Company office or mailed to:

FELCO Foundation
P.O. Box 137
Franklin, VT 05457



FELCO Foundation Scholarship

Name _____

Application Form Page 2

Academic Achievement

Grade point average (4.0 scale) _____

Please provide a copy of your grades and course transcripts if available.

List Academic Awards, Honors and Recognition. Continue on the back if necessary

Name and/or Purpose of Award

Year(s) Received

Additional information you would like the committee to consider regarding your Academic Achievement _____

continue on back if necessary

Education Plans

List all colleges and trade schools to which you have applied. Indicate whether you have been accepted, and which you plan to attend. Continue on the back if necessary

Name of college or trade school

Accepted

Attending

Intended field of study _____

Additional information you would like the committee to consider regarding your Education Plans

continue on back if necessary



FELCO Foundation Scholarship

Application Form Page 1

Contact Information

Name _____
Address _____
Phone _____
Email _____

Self-Evaluation

Please rate yourself on the listed criteria using the following scale

E=Excellent

G=Good

A=Average

BA=Below Average

Criteria	E	G	A	BA
Cooperation				
Determination				
Enthusiasm				
Humor				
Initiative				
Integrity				
Leadership				
Maturity				
Positive Attitude				
Respect for others				
Reverence				
Self-discipline				
Sensitivity				
Trustworthiness				

Keeping in mind the above criteria, please comment on your greatest strength and greatest weakness

continue on back if necessary



FELCO Foundation Scholarship

Name _____
Application Form Page 4

Character and Citizenship (Community Involvement)

List volunteer, family, community service or church activities in which you have participated over the past three years. Continue on the back or on a separate page if necessary

Name of organization or activity Position(s) Held Date(s) of involvement

Have you read the Franklin Town Report? _____ Comments?

Have you attended a Franklin Town Meeting? _____ Comments?

Have you attended an MVU Annual Meeting? _____ Comments?

Additional information you would like the committee to consider regarding your Character and Citizenship. _____

continue on back if necessary



FELCO Foundation Scholarship

Name: _____
Application Form Page 3

Employment and/or School Involvement

List employment and/or school-based activities in which you have participated over the past three years. Note positions(s) held, and any awards, honors and recognition. Continue on the back or on a separate page if necessary.

Name of employer or activity	Position(s) Held	Date(s) of involvement	Awards
------------------------------	------------------	------------------------	--------

Additional information you would like the committee to consider regarding your Employment and/or School Involvement _____

FELCO Foundation Scholarship

Recommendation Form for: _____

The student named above is applying for the FELCO Foundation Scholarship. This recommendation will assist the judges in assessing the character and citizenship of the applicant. Your responses will be held in strict confidence, and will be used solely for the purpose of awarding this scholarship. You may be contacted by the committee for elaboration or clarification.

Your Name. _____ Tel. # _____

Relationship to the applicant _____

Please rate the applicant based on the listed criteria with the following scale

E=Excellent G=Good A=Average BA=Below Average NB=No basis for judgment

Criteria	E	G	A	BA	NB
Cooperation					
Determination					
Enthusiasm					
Humor					
Initiative					
Integrity					
Leadership					
Maturity					
Positive Attitude					
Respect for others					
Reverence					
Self-discipline					
Sensitivity					
Trustworthiness					

Please respond to the following statement on a separate sheet:

Keeping in mind the above criteria, please comment on the applicant's strengths and weaknesses, and on the contributions he or she has made in your classroom, workplace, or community.

Feel free to include any additional comments which you believe would assist the committee in evaluating this applicant.

Recommendations must be received by 5 P.M. on May 10th.

Mail recommendation to: FELCO Foundation Scholarship
PO Box 137, Franklin, VT 05457



FELCO Foundation Scholarship

Essay Questions

Please answer two of the following four questions in essay or 11-sentence paragraph form, one question per page. Include the question and your name at the top of each page. Answers should be no longer than one page, single-spaced, in Times New Roman font size 12.

- 1 Compose a letter to a government official identifying a problem in Franklin that needs to be addressed. Include your plan for solving the problem. (It is not necessary to mail this letter to the official.)
- 2 How have you benefited from the community service of the adults in Franklin? How might you serve your community as an adult?
- 3 Submit the first page of your diary entry 10 years from today.
- 4 Create an award to be given to a specific member of your school or community. Describe why the recipient is uniquely qualified to receive this award.

Bonus

Interview an elderly family member or neighbor about their memories of the Franklin Electric Light Company employees or events. Write a brief narrative of this.

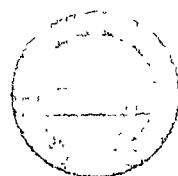
Recommendations

The two required recommendations should be completed by a teacher, counselor, coach, employer or community or church leader who knows you well. Recommendations from family members are not acceptable.

We suggest that you provide an addressed, stamped envelope to whomever will be completing your recommendations. Please mark the envelope "Confidential - FELCO Foundation Scholarship Application".

Application Checklist

- Completed application form (4 pages)
- Copy of transcript (if available)
- Two essay answers, with question and name at the top of each page (2 pages)
- Bonus narrative (optional)
- Completed recommendations (2 pages – may be mailed directly to FELCO Foundation P.O. Box 137, Franklin, VT 05457, or included with completed application)
- All materials in a sealed envelope marked "Confidential – FELCO Foundation Scholarship Application"
- All materials received by 5pm on May 10th



FELCO Foundation Scholarship

Recommendation Form for: _____

The student named above is applying for the FELCO Foundation Scholarship. This recommendation will assist the judges in assessing the character and citizenship of the applicant. Your responses will be held in strict confidence, and will be used solely for the purpose of awarding this scholarship. You may be contacted by the committee for elaboration or clarification.

Your Name _____ Tel #. _____

Relationship to the applicant _____

Please rate the applicant based on the listed criteria with the following scale

E=Excellent G=Good A=Average BA=Below Average NB=No basis for judgment

Criteria	E	G	A	BA	NB
Cooperation					
Determination					
Enthusiasm					
Humor					
Initiative					
Integrity					
Leadership					
Maturity					
Positive Attitude					
Respect for others					
Reverence					
Self-discipline					
Sensitivity					
Trustworthiness					

Please respond to the following statement on a separate sheet:

Keeping in mind the above criteria, please comment on the applicant's strengths and weaknesses, and on the contributions he or she has made in your classroom, workplace, or community

Feel free to include any additional comments which you believe would assist the committee in evaluating this applicant.

Recommendations must be received by 5 P.M. on May 10th.

Mail recommendation to: FELCO Foundation Scholarship
PO Box 137, Franklin, VT 05457