Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning May 1 , 2009, and ending Apr 30 , 2010

G Check all that apply: ☐ Initial return ☐ Initial Return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation: LOUIS W. BAEHR AND DOLPHA BAEHR CHARITABLE TRUST

Number and street (or P O box number if mail is not delivered to street address) Room/suite: FIRST OPTION TRUST DEPT, PO BOX B

City or town: PAOLA State: KS ZIP code: 66071

A Employer identification number: 48-6129741

B Telephone number (see the instructions): (913) 294-3811

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

2 Foreign organizations meeting the 85% test, check here and attach computation ► ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ► ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► ☐

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 4,316,673.

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) ______________
(Part I, column (d) must be on cash basis)

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions))*

	Line	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc, received (att sch)				
	2 Ck ► ☒ if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	114.	114.	114.	
	4 Dividends and interest from securities	115,509.	115,509.	115,509.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(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)		32,413.		
	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/(loss) (att sch)				
	11 Other income (attach schedule)				
	12 **Total.** Add lines 1 through 11	115,623.	148,036.	115,623.	
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	33,231.	6,646.	6,646.	26,585.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch)	1,465.	0.	0.	1,465.
	c Other prof fees (attach sch)				
	17 Interest				
	18 Taxes (attach schedule)(see instr) EXCISE TAX	2,652.	0.	0.	0.
	19 Depreciation (attach sch) 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	37,348.	6,646.	6,646.	28,050.
	25 Contributions, gifts, grants paid	144,220.			144,220.
	26 **Total expenses and disbursements.** Add lines 24 and 25	181,568.	6,646.	6,646.	172,270.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-65,945.			
	b **Net investment income** (if negative, enter -0-)		141,390.		
	c **Adjusted net income** (if negative, enter -0-)			108,977.	

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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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing			
	2 Savings and temporary cash investments	14,205.	13,572.	13,572.
	3 Accounts receivable ►			
	Less allowance for doubtful accounts ►			
	4 Pledges receivable ►			
	Less allowance for doubtful accounts ►			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	Less allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments – U S and state government obligations (attach schedule)	69,259.	52,922.	54,783.
	b Investments – corporate stock (attach schedule)	1,209,409.	1,192,832.	4,248,318.
	c Investments – corporate bonds (attach schedule)			
	11 Investments – land, buildings, and equipment: basis ►			
	Less accumulated depreciation (attach schedule) ►			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule)			
	14 Land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach schedule) ►			
	15 Other assets (describe ►)			
	16 Total assets (to be completed by all filers – see instructions. Also, see page 1, item I)	1,292,873.	1,259,326.	4,316,673.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ►)			
	23 Total liabilities (add lines 17 through 22)			
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here ► ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	3,062,921.	3,095,318.	
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	-1,770,048.	-1,835,992.	
	30 Total net assets or fund balances (see the instructions)	1,292,873.	1,259,326.	
	31 Total liabilities and net assets/fund balances (see the instructions)	1,292,873.	1,259,326.	

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)	1	1,292,873.
2	Enter amount from Part I, line 27a	2	-65,945.
3	Other increases not included in line 2 (itemize) ► See Other Increases Stmt	3	32,414.
4	Add lines 1, 2, and 3	4	1,259,342.
5	Decreases not included in line 2 (itemize) ► BASIS ADJUSTMENT	5	16.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,259,326.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	SCHEDULE - LONG TERM	P	12/22/94	05/15/09
b	SCHEDULE - LONG TERM	P	08/12/87	08/17/09
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	47,616.		12,109.	35,507.
b	17,695.		20,789.	-3,094.
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				35,507.
b				-3,094.
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	32,413.
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 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 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 (column (b) divided by column (c))
2008	196,856.	4,070,604.	0.048360
2007	225,960.	5,161,193.	0.043781
2006	236,798.	4,827,393.	0.049053
2005	238,275.	4,626,629.	0.051501
2004	242,019.	4,665,770.	0.051871

2	**Total** of line 1, column (d)	2	0.244566
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	0.048913
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	3,970,644.
5	Multiply line 4 by line 3	5	194,216.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,414.
7	Add lines 5 and 6	7	195,630.
8	Enter qualifying distributions from Part XII, line 4	8	172,270.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here ► ☐ and enter 'N/A' on line 1				
Date of ruling or determination letter ________ (attach copy of letter if necessary - see instr.)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b			1	2,828.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	2,828.
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	2,828.
6 Credits/Payments				
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	2,360.		
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	2,360.
8 Enter any **penalty** for underpayment of estimated tax Check here ☐ 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	468.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	0.
11 Enter the amount of line 10 to be **Credited to 2010 estimated tax** ►		0. Refunded ►	11	

Part VII-A Statements Regarding Activities

		Yes	No
1 a 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?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
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			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. **(1)** On the foundation ► $ ________ **(2)** On foundation managers ► $ ________			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ ________			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities*	2		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? *If 'Yes,' attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T*	5		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?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) ► KS - Kansas			
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 *General Instruction G? If 'No,' attach explanation*	8b	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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *Continued*

			Yes	No
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 instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ► N/A

14 The books are in care of ► FIRST OPTION BANK TRUST DEPT Telephone no ► (913) 294-3811

Located at ► 702 BAPTISTE PAOLA, KS ZIP + 4 ► 66071

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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.			**Yes**	**No**
1 a 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?	☐ Yes ☒ No			
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ 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)?	☐ Yes ☒ 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)	☐ Yes ☒ 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 the instructions)?		1b		
Organizations relying on a current notice regarding disaster assistance check here	► ☐			
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 2009?		1c		X
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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ Yes ☒ No			
If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__				
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 the instructions)		2b		
c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__				
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b If 'Yes,' did it have excess business holdings in 2009 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 2009)*		3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
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 2009?		4b		X

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 [X] 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 [X] No

(3) Provide a grant to an individual for travel, study, or other similar purposes? [ ] Yes [X] 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 instructions) [ ] Yes [X] 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 [X] 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 instructions)? | 5b | | |

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? [ ] 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 [X] No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X |

If 'Yes' to 6b, file Form 8870

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? | 7b | | |

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 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
FIRST OPTION BANK P.O. BOX B PAOLA KS 66071	TRUSTEE 4.00	33,231.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 — see 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				
0				
0				
0				
0				

Total number of other employees paid over $50,000 ► None

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 instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ►		None

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	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	0.
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ►	None

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes			
a Average monthly fair market value of securities		1a	4,010,290.
b Average of monthly cash balances		1b	20,821.
c Fair market value of all other assets (see instructions)		1c	
d **Total** (add lines 1a, b, and c)		1d	4,031,111.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e		
2 Acquisition indebtedness applicable to line 1 assets		2	
3 Subtract line 2 from line 1d		3	4,031,111.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	60,467.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	3,970,644.
6 **Minimum investment return.** Enter 5% of line 5		6	198,532.

Part XI Distributable Amount (see 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	198,532.
2a Tax on investment income for 2009 from Part VI, line 5	2a	2,828.		
b Income tax for 2009 (This does not include the tax from Part VI)	2b			
c Add lines 2a and 2b			2c	2,828.
3 Distributable amount before adjustments Subtract line 2c from line 1			3	195,704.
4 Recoveries of amounts treated as qualifying distributions			4	
5 Add lines 3 and 4			5	195,704.
6 Deduction from distributable amount (see instructions)			6	
7 **Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	195,704.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes:		
a Expenses, contributions, gifts, etc — total from Part I, column (d), line 26	1a	172,270.
b Program-related investments — total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 **Qualifying distributions** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	172,270.
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 instructions)	5	0.
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	172,270.

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 instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				195,704.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			37,959.	
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2009				
a From 2004 0.				
b From 2005 0.				
c From 2006 0.				
d From 2007 0.				
e From 2008 0.				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ► $ 172,270.				
a Applied to 2008, but not more than line 2a			37,959.	
b Applied to undistributed income of prior years (Election required — see instructions)				
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2009 distributable amount				134,311.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 *(If an amount appears in column (d), the same amount must be shown in column (a))*				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
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				
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a. Taxable amount — see instructions			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				61,393.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9.				
a Excess from 2005 0.				
b Excess from 2006 0.				
c Excess from 2007 0.				
d Excess from 2008 0.				
e Excess from 2009 0.				

Part XIV | Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ►

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e 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					
a 'Assets' alternative test – enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV | Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year – see 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))

NONE

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.

NONE

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 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

BOARD OF TRUSTEES, BAEHR CHARITABLE FOUNDATION
FIRST OPTION BANK, TRUST DEPARTMENT, PO BOX B
PAOLA KS 66071 (913) 294-3811

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

SEE ATTACHED APPLICATION

c Any submission deadlines

SEE ATTACHED APPLICATION

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

SEE ATTACHED APPLICATION

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	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
a *Paid during the year*				
SEE ATTACHED SCHEDULE		N/A	Charitable	144,220.
Total			► 3a	144,220.
b *Approved for future payment*				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (see the instructions)
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	114.	
4 Dividends and interest from securities			14	115,509.	
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 EXCISE TAX REFUND			1	0.	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				115,623.	

13 **Total.** Add line 12, columns (b), (d), and (e) 13 115,623.

(See worksheet in the instructions for line 13 to verify calculations)

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 the instructions)

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	1 a (1)		X
(2) Other assets	1 a (2)		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	1 b (1)		X
(2) Purchases of assets from a noncharitable exempt organization	1 b (2)		X
(3) Rental of facilities, equipment, or other assets	1 b (3)		X
(4) Reimbursement arrangements	1 b (4)		X
(5) Loans or loan guarantees	1 b (5)		X
(6) Performance of services or membership or fundraising solicitations	1 b (6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1 c		X

d If the answer to any of the above is 'Yes,' complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting 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

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

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

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

First Option Bank, Trustee

► Harry Lowe?, Sr. Trust Officer 8/13/2010 ► Sr. Trust Officer

Signature of officer or trustee Date Title

Paid Preparer's Use Only			
Preparer's signature ► Lucille Hendershot	Date AUG 1 1 2010	Check if self-employed ► ☐	Preparer's Identifying number (See Signature in the instrs) P00031530
Firm's name (or yours if self-employed), address, and ZIP code ► AGLER & GAEDDERT, CHARTERED		EIN ► 48-0894999	
PO BOX 1020			
OTTAWA KS 66067		Phone no ► (785) 242-3170	

Form 990-PF, Page 2, Part III, Line 3
Other Increases Stmt

NET CAPITAL GAINS	32,413.
ROUNDING	1.
Total	32,414.

Louis W & Dolpha Baehr
Charitable Foundation Trust
48-6129741

Balance Sheet
April 30,2010

Schedule 2

Description		Book Value Beginning of Year		End of Year		Market Value
CASH	$	0	$	-	$	-
SAVINGS & TEMPORARY CASH INVESTMENTS						
Northern Inst. Diversified	$	0	$	13572	$	13,572
GSB Money Market		14,205		0		0
		14,205		13,572		13,572
INVESTMENTS - U S. OBLIGATIONS						
GNMA'S						
10 00%, due 03-15-2016	$	1,003	$	879		958
10 50%, due 12-15-2016		389		242		275
9.00%, due 12-15-2019		648		515		599
9 00%, due 11-20-2024		167		157		181
8 50%, due 01-20-2025		199		129		145
5.00%, due 11-20-2034		15,853		0		0
FHLMC 5.0%, due 1-15-2032		51,000		51,000		52,625
	$	69,259	$	52,922	$	54,783
INVESTMENTS - CORPORATE STOCKS						
Exxon Mobil Corporation		102,470		102,470		449,993
Emerson Electric		50,800		50,800		208,920
General Electric Company		80,318		80,318		339,480
Illinois Tool Wks Inc		65,325		65,325		102,200
3M Company		26,907		26,907		177,340
Altria Group Inc		5,198		5,198		21,190
Coca Cola Company		13,593		13,593		160,350
Pepsico Inc		27,314		27,314		195,660
Philip Morris Intl Inc		11,844		11,844		49,080
Proctor & Gamble		93,425		93,425		497,280
WalMart Stores Inc		96,163		96,163		107,280
Walgreen Co		26,406		26,406		52,725
Abbott Laboratories		68,187		68,187		358,120
Bristol Myers Squibb Company		10,780		10,780		37,965
Johnson & Johnson		108,863		108,863		643,000
Medtronic Inc		98,982		98,982		174,760
Merck & Company, Inc		53,053		53,053		56,064
Pfizer Inc.		93,668		93,668		120,384
Zimmer Hldgs Inc		2,664		1,168		18,273

Louis W. & Dolpha Baehr
Charitable Foundation Trust
48-6129741

Balance Sheet
April 30,2010

Schedule 2
Page 2

Description	Book Value Beginning of Year	End of Year	Market Value
INVESTMENTS - CORPORATE STOCKS (cont)			
Cisco Sys Inc	26,633	16,646	13,465
Hewlett Packard Company	36,839	36,839	311,820
Hospira Inc	5,094	0	0
Intel Corp	15,860	15,860	22,840
Microsoft Corp	69,102	69,102	61,070
AT&T, Inc.	19,921	19,921	69,059
	$ 1,209,409	$ 1,192,832	$ 4,248,318
Due from broker	$ 0	$ 0	$ 0
GRAND TOTAL	$ 1,292,873	$ 1,259,326	$ 4,316,673

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L. W. Baehr & Dolpha Baehr
Charitable Foundation Trust
48-6129741

Charitable Contributions
April 30,2010

Schedule 4

Name	Address	Purpose		Amount
Paola Soccer Club	c/o Kym Ryals, 501 S. Pearl Paola, KS 66071	Charitable	$	3,500.00
Paola American Legion Post 156	c/o Jim Johnson American Legion Baseball Chrm 5 West Delaware, Paola, KS 66071	Charitable		3,500.00
Paola Youth Baseball	401 W. Miami Paola, KS 66071	Charitable		3,500.00
Babe Ruth Baseball	Attn: Jody Garrison, President 401 W. Miami, Paola, KS 66071	Charitable		3,500.00
Paola Girls Softball	3 Wallace Park, Paola, KS 66071	Charitable		3,500.00
Paola Swim Club	24916 Sunset Lane, Paola, KS 66071	Charitable		3,500.00
USD #368	202 East Wea, Paola, KS 66071	Charitable		3,650.00
Paola Kids Wrestling	21085 W. 287th Street Paola, KS 66071	Charitable		3,500.00
Miami County Vipers YMCA Swim Club	300 11th Street Osawatomie, KS 66064	Charitable		2,100.00
USD #368 Endowment Fund	202 East Wea, Paola, KS 66071	Charitable		50,000.00
USD #368 Youth Friends	Carol Knoch, Coordinator 1401 East 303rd Street Paola, KS 66071	Charitable		5,000.00
Paola Community Center	905 E. Wea, Paola, KS 66071	Charitable		7,100.00
City of Paola	905 East Wea, Paola, KS 66071	Charitable		30,000.00
Paola Senior Citizens Center	121 W. Wea, Paola, Ks 66071	Charitable		800.00
Paola High School Robotics	401 N. Angela, Paola, Ks 66071	Charitable		5,000.00
Paola Lions Club Courthouse Project	c/o Judy Welter, 6 N Walnut Paola, KS 66071	Charitable		8,000.00
Big Brothers & Big Sisters	905 East Wea, Paola, KS 66071	Charitable		8,070.00
		Total	$	144,220.00

ACCOUNT 45-T000-01-2 L W. & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KAL
INV OFFICER KAL

FEDERAL LOSS CARRYOVER	
ST	.00
LT	.00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD DATE ACQ	NET PROCEEDS FEDERAL TAX COST STATE TAX COST	GAIN/LOSS FEDERAL SHORT TERM STATE SHORT TERM	GAIN/LOSS FEDERAL LONG TERM STATE LONG TERM FEDERAL 5 YR GAIN STATE 5 YR GAIN
INVESTED PRINCIPAL ASSETS				
PRIN PAYMENT OF 8.940 GNMA I POOL #153360X 10.000% DUE 03/15/2016	08/17/09 08/12/87	8.94 8.94 8.94		
PRIN PAYMENT OF 12.080 GNMA I POOL #189072X 10.500% DUE 12/15/2016	08/17/09 10/02/87	12.08 12.08 12.08		
PRIN PAYMENT OF 4.210 GNMA I POOL #279513X 9.000% DUE 12/15/2019	08/17/09 01/16/90	4.21 4.21 4.21		
PRIN PAYMENT OF .800 GNMA II POOL #001904M 9.000% DUE 11/20/2024	08/20/09 12/22/94	.80 .80 .80		
PRIN PAYMENT OF .480 GNMA II POOL #001939M 8.500% DUE 01/20/2025	08/20/09 02/15/95	.48 .48 .48		
PRIN PAYMENT OF 1,692.040 GNMA REMIC SERIES 2004-87 CL DB 5.000% DUE 10/20/2034	08/20/09 10/05/04	1,692.04 1,692.04 1,692.04		

ACCOUNT 45-T000-01-2 L W. & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KAL
INV OFFICER KAL

FEDERAL LOSS CARRYOVER
ST .00
LT .00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD DATE ACQ	NET PROCEEDS FEDERAL TAX COST STATE TAX COST	GAIN/LOSS FEDERAL SHORT TERM STATE SHORT TERM	GAIN/LOSS FEDERAL LONG TERM STATE LONG TERM FEDERAL 5 YR GAIN STATE 5 YR GAIN
PRIN PAYMENT OF 12.190 GNMA I POOL #189072X 10.500% DUE 12/15/2016	09/15/09 10/02/87	12.19 12.19 12.19		
PRIN PAYMENT OF 4.240 GNMA I POOL #279513X 9.000% DUE 12/15/2019	09/15/09 01/16/90	4.24 4.24 4.24		
PRIN PAYMENT OF 9.020 GNMA I POOL #153360X 10 000% DUE 03/15/2016	09/15/09 08/12/87	9.02 9 02 9.02		
PRIN PAYMENT OF 800 GNMA II POOL #001904M 9.000% DUE 11/20/2024	09/20/09 12/22/94	.80 .80 80		
PRIN PAYMENT OF 490 GNMA II POOL #001939M 8 500% DUE 01/20/2025	09/20/09 02/15/95	.49 .49 49		
PRIN PAYMENT OF 1,669 530 GNMA REMIC SERIES 2004-87 CL DB 5.000% DUE 10/20/2034	09/20/09 10/05/04	1,669 53 1,669.53 1,669.53		
SOLD 300 SHS 09/30/09 TO RAYMOND JAMES @ 23.182 CISCO SYSTEMS INC CSCO	09/30/09 10/18/99	6,894.42 9,987.53 9,987.53		3,093.11- FL 3,093.11- SL
PRIN PAYMENT OF 9.110 GNMA I POOL #153360X	10/15/09 08/12/87	9.11 9.11		

ACCOUNT 45-T000-01-2 L W. & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KAL
INV OFFICER KAL

FEDERAL LOSS CARRYOVER
ST .00
LT .00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD DATE ACQ	NET PROCEEDS FEDERAL TAX COST STATE TAX COST	GAIN/LOSS FEDERAL SHORT TERM STATE SHORT TERM	GAIN/LOSS FEDERAL LONG TERM STATE LONG TERM FEDERAL 5 YR GAIN STATE 5 YR GAIN
10.000% DUE 03/15/2016		9.11		
PRIN PAYMENT OF 12.300 GNMA I POOL #189072X 10.500% DUE 12/15/2016	10/15/09 10/02/87	12.30 12 30 12.30		
PRIN PAYMENT OF 4 280 GNMA I POOL #279513X 9.000% DUE 12/15/2019	10/15/09 01/16/90	4 28 4.28 4.28		
PRIN PAYMENT OF .810 GNMA II POOL #001904M 9.000% DUE 11/20/2024	10/20/09 12/22/94	.81 .81 .81		
PRIN PAYMENT OF .490 GNMA II POOL #001939M 8.500% DUE 01/20/2025	10/20/09 02/15/95	49 .49 49		
PRIN PAYMENT OF 1,006 640 GNMA REMIC SERIES 2004-87 CL DB 5.000% DUE 10/20/2034	10/20/09 10/05/04	1,006.64 1,006 64 1,006.64		
PRIN PAYMENT OF 9 180 GNMA 1 POOL #153360X 10.000% DUE 03/15/2016	11/16/09 08/12/87	9.18 9.18 9.18		
PRIN PAYMENT OF 12.440 GNMA I POOL #189072X 10.500% DUE 12/15/2016	11/16/09 10/02/87	12.44 12.44 12 44		
PRIN PAYMENT OF 5.070 GNMA I POOL #279513X	11/16/09 01/16/90	5.07 5.07		

ACCOUNT 45-T000-01-2 L W. & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KAL
INV OFFICER KAL

FEDERAL LOSS CARRYOVER
ST .00
LT .00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD / DATE ACQ	NET PROCEEDS / FEDERAL TAX COST / STATE TAX COST	GAIN/LOSS: FEDERAL SHORT TERM / STATE SHORT TERM	GAIN/LOSS: FEDERAL LONG TERM / STATE LONG TERM / FEDERAL 5 YR GAIN / STATE 5 YR GAIN
9.000% DUE 12/15/2019		5.07		
PRIN PAYMENT OF .810	11/20/09	.81		
GNMA II POOL #001904M	12/22/94	.81		
9.000% DUE 11/20/2024		.81		
PRIN PAYMENT OF .500	11/20/09	.50		
GNMA II POOL #001939M	02/15/95	.50		
8.500% DUE 01/20/2025		.50		
PRIN PAYMENT OF 2,432.840	11/20/09	2,432.84		
GNMA REMIC SERIES 2004-87 CL DB	10/05/04	2,432.84		
5.000% DUE 10/20/2034		2,432.84		
PRIN PAYMENT OF 9.180	12/15/09	9.18		
GNMA I POOL #153360X	08/12/87	9.18		
10.000% DUE 03/15/2016		9.18		
PRIN PAYMENT OF 12.520	12/15/09	12.52		
GNMA I POOL #189072X	10/02/87	12.52		
10.500% DUE 12/15/2016		12.52		
PRIN PAYMENT OF 5.940	12/15/09	5 94		
GNMA I POOL #279513X	01/16/90	5.94		
9.000% DUE 12/15/2019		5.94		
PRIN PAYMENT OF .820	12/20/09	.82		
GNMA II POOL #001904M	12/22/94	.82		
9.000% DUE 11/20/2024		.82		
PRIN PAYMENT OF .500	12/20/09	.50		
GNMA II POOL #001939M	02/15/95	50		

ACCOUNT 45-T000-01-2 L W. & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KAL
INV OFFICER KAL

FEDERAL LOSS CARRYOVER
ST .00
LT .00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD DATE ACQ	NET PROCEEDS FEDERAL TAX COST STATE TAX COST	GAIN/LOSS FEDERAL SHORT TERM STATE SHORT TERM	FEDERAL LONG TERM STATE LONG TERM FEDERAL 5 YR GAIN STATE 5 YR GAIN
8.500% DUE 01/20/2025		.50		
PRIN PAYMENT OF 3,099.900 GNMA REMIC SERIES 2004-87 CL DB 5.000% DUE 10/20/2034	12/20/09 10/05/04	3,099.90 3,099.90 3,099.90		
PRIN PAYMENT OF 9.110 GNMA I POOL #153360X 10 000% DUE 03/15/2016	01/15/10 08/12/87	9.11 9 11 9.11		
PRIN PAYMENT OF 12 640 GNMA I POOL #189072X 10.500% DUE 12/15/2016	01/15/10 10/02/87	12.64 12.64 12.64		
PRIN PAYMENT OF 3.560 GNMA I POOL #279513X 9 000% DUE 12/15/2019	01/15/10 01/16/90	3.56 3.56 3.56		
PRIN PAYMENT OF .830 GNMA II POOL #001904M 9.000% DUE 11/20/2024	01/20/10 12/22/94	.83 .83 .83		
PRIN PAYMENT OF 500 GNMA II POOL #001939M 8.500% DUE 01/20/2025	01/20/10 02/15/95	.50 50 .50		
PRIN PAYMENT OF 592.030 GNMA REMIC SERIES 2004-87 CL DB 5.000% DUE 10/20/2034	01/20/10 10/05/04	592.03 592.03 592.03		
PRIN PAYMENT OF 9 220 GNMA I POOL #153360X	02/16/10 08/12/87	9.22 9.22		

ACCOUNT 45-T000-01-2 L W. & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KAL
INV OFFICER KAL

FEDERAL LOSS CARRYOVER
ST .00
LT .00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD DATE ACQ	NET PROCEEDS FEDERAL TAX COST STATE TAX COST	GAIN/LOSS FEDERAL SHORT TERM STATE SHORT TERM	GAIN/LOSS FEDERAL LONG TERM STATE LONG TERM FEDERAL 5 YR GAIN STATE 5 YR GAIN
10.000% DUE 03/15/2016		9.22		
PRIN PAYMENT OF 12 760 GNMA I POOL #189072X 10.500% DUE 12/15/2016	02/16/10 10/02/87	12.76 12.76 12 76		
PRIN PAYMENT OF 3.620 GNMA I POOL #279513X 9.000% DUE 12/15/2019	02/16/10 01/16/90	3.62 3 62 3.62		
PRIN PAYMENT OF .830 GNMA II POOL #001904M 9.000% DUE 11/20/2024	02/20/10 12/22/94	.83 .83 83		
PRIN PAYMENT OF .510 GNMA II POOL #001939M 8.500% DUE 01/20/2025	02/20/10 02/15/95	.51 .51 51		
PRIN PAYMENT OF 9 270 GNMA I POOL #153360X 10.000% DUE 03/15/2016	03/15/10 08/17/87	9.27 9.31 9 31		.04- FL .04- SL
PRIN PAYMENT OF 12.870 GNMA I POOL #189072X 10.500% DUE 12/15/2016	03/15/10 10/02/87	12.87 12.63 12.63		.24 FL .24 SL
PRIN PAYMENT OF 3.650 GNMA I POOL #279513X 9 000% DUE 12/15/2019	03/15/10 01/16/90	3.65 3.58 3.58		.07 FL .07 SL
PRIN PAYMENT OF .840 GNMA II POOL #001904M	03/20/10 12/22/94	.84 .84		

ACCOUNT 45-T000-01-2 L W. & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KAL
INV OFFICER KAL

FEDERAL LOSS CARRYOVER
ST .00
LT .00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD DATE ACQ	NET PROCEEDS FEDERAL TAX COST STATE TAX COST	GAIN/LOSS FEDERAL SHORT TERM STATE SHORT TERM	GAIN/LOSS FEDERAL LONG TERM STATE LONG TERM FEDERAL 5 YR GAIN STATE 5 YR GAIN
9.000% DUE 11/20/2024		.84		
PRIN PAYMENT OF .510 GNMA II POOL #001939M 8.500% DUE 01/20/2025	03/20/10 02/15/95	.51 .52 52		.01- FL .01- SL
PRIN PAYMENT OF 9.350 GNMA I POOL #153360X 10.000% DUE 03/15/2016	04/15/10 08/12/87	9.35 9.39 9.39		.04- FL .04- SL
PRIN PAYMENT OF 12.990 GNMA I POOL #189072X 10.500% DUE 12/15/2016	04/15/10 10/02/87	12 99 12.75 12 75		24 FL .24 SL
PRIN PAYMENT OF 3.700 GNMA I POOL #279513X 9.000% DUE 12/15/2019	04/15/10 01/16/90	3.70 3.63 3.63		.07 FL .07 SL
PRIN PAYMENT OF .820 GNMA II POOL #001904M 9.000% DUE 11/20/2024	04/20/10 12/22/94	.82 82 82		
PRIN PAYMENT OF 63.220 GNMA II POOL #001939M 8.500% DUE 01/20/2025	04/20/10 02/15/95	63 22 64.38 64 38		1 16- FL 1 16- SL
INVESTED PRINCIPAL ASSETS TOTAL		17,695.40 20,789.14 20,789.14		3,093.74- FL 3,093.74- SL

ACCOUNT 47-4701-00-0 L W BAEHR & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KL
INV OFFICER AAA

FEDERAL LOSS CARRYOVER	
ST	.00
LT	.00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD DATE ACQ	NET PROCEEDS FEDERAL TAX COST STATE TAX COST	GAIN/LOSS: FEDERAL SHORT TERM STATE SHORT TERM	GAIN/LOSS: FEDERAL LONG TERM STATE LONG TERM FEDERAL 5 YR GAIN STATE 5 YR GAIN
PRIN PMT FOR APRIL 2009 GNMA GTD PASS THRU CTF POOL # 9.000% DTD 11/01/94 DUE 11/20/2024	05/15/09 12/22/94	.77 .77 .77		
PRIN PMT FOR APRIL 2009 GNMA GTD PASS THRU CTF POOL # 001939 8.500% DTD 01/01/95 DUE 01/20/2025	05/15/09 02/15/95	.48 .48 .48		
PRIN PMT FOR APRIL 2009 GNMA GTD PASS THRU CTF POOL #153360 10.000% DUE 03/15/2016	05/15/09 08/12/87	8.65 8.69 8.69		.04- FL .04- SL
PRIN PMT FOR APRIL 2009 GNMA GTD PASS THRU CTF POOL #189072 10.500% DUE 12/15/2016	05/15/09 10/02/87	11.76 11.59 11.59		.17 FL .17 SL
PRIN PMT FOR APRIL 2009 GNMA GTD PASS THRU CTF POOL #279513 9.000% DUE 12/15/2019	05/15/09 01/16/90	86.74 85.11 85.11		1.63 FL 1.63 SL
PRIN PMT FOR 05/01/09 GNMA GTD PASS THRU CTF POOL # 5.000% DTD 10/05/04 DUE 11/20/2034 AVERAGE LIFE 2 YRS FROM 10/29/04	05/20/09 10/05/04	836.17 836.17 836.17		
SOLD 800 SHS 05/27/09 @ 34.29 HOSPIRA INC COM	05/27/09 08/30/95	27,337.41 5,094.12 5,094.12		22,243.29 FL 22,243.29 SL
SOLD 327 SHS 05/27/09 @ 45.28	05/27/09 10/24/89	14,756.86 1,495.63		13,261.23 FL

ACCOUNT 47-4701-00-0 L W BAEHR & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KL
INV OFFICER AAA

FEDERAL LOSS CARRYOVER
ST .00
LT .00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD / DATE ACQ	NET PROCEEDS / FEDERAL TAX COST / STATE TAX COST	GAIN/LOSS: FEDERAL SHORT TERM / STATE SHORT TERM	GAIN/LOSS: FEDERAL LONG TERM / STATE LONG TERM / FEDERAL 5 YR GAIN / STATE 5 YR GAIN
ZIMMER HLDGS INC COM		1,495.63		13,261.23 SL
PRIN PMT FOR MAY 2009 GNMA GTD PASS THRU CTF POOL # 9.000% DTD 11/01/94 DUE 11/20/2024	06/15/09 12/22/94	.53 .53 .53		
PRIN PMT FOR MAY 2009 GNMA GTD PASS THRU CTF POOL # 001939 8.500% DTD 01/01/95 DUE 01/20/2025	06/15/09 02/15/95	.48 .48 .48		
PRIN PMT FOR MAY 2009 GNMA GTD PASS THRU CTF POOL #153360 10.000% DUE 03/15/2016	06/15/09 08/12/87	8.72 8.76 8.76		.04- FL .04- SL
PRIN PMT FOR MAY 2009 GNMA GTD PASS THRU CTF POOL #189072 10.500% DUE 12/15/2016	06/15/09 10/02/87	11.86 11.69 11.69		.17 FL .17 SL
PRIN PMT FOR MAY 2009 GNMA GTD PASS THRU CTF POOL #279513 9.000% DUE 12/15/2019	06/15/09 01/16/90	4.96 4.87 4.87		.09 FL .09 SL
PRIN PMT FOR 06/01/09 GNMA GTD PASS THRU CTF POOL # 5.000% DTD 10/05/04 DUE 11/20/2034 AVERAGE LIFE 2 YRS FROM 10/29/04	06/20/09 10/05/04	1,818.46 1,818.46 1,818.46		
PRIN PMT FOR JUNE 2009 GNMA GTD PASS THRU CTF POOL # 9.000% DTD 11/01/94 DUE 11/20/2024	07/15/09 12/22/94	.78 .78 .78		

ACCOUNT 47-4701-00-0 L W BAEHR & DOLPHA BAEHR FOUNDATION
TAX IDENT NO 48-6129741
ADM OFFICER KL
INV OFFICER AAA

FEDERAL LOSS CARRYOVER
ST .00
LT .00

SCHEDULE OF CAPITAL GAINS AND LOSSES FOR TAX PURPOSES

TRANSACTION DESCRIPTION	DATE SOLD / DATE ACQ	NET PROCEEDS / FEDERAL TAX COST / STATE TAX COST	GAIN/LOSS: FEDERAL SHORT TERM / STATE SHORT TERM	GAIN/LOSS: FEDERAL LONG TERM / STATE LONG TERM / FEDERAL 5 YR GAIN / STATE 5 YR GAIN
PRIN PMT FOR JUNE 2009 GNMA GTD PASS THRU CTF POOL # 001939 8.500% DTD 01/01/95 DUE 01/20/2025	07/15/09 02/15/95	.48 .48 .48		
PRIN PMT FOR JUNE 2009 GNMA GTD PASS THRU CTF POOL #153360 10.000% DUE 03/15/2016	07/15/09 08/12/87	8.90 8.94 8.94		.04- FL .04- SL
PRIN PMT FOR JUNE 2009 GNMA GTD PASS THRU CTF POOL #189072 10.500% DUE 12/15/2016	07/15/09 10/02/87	11.97 11.80 11.80		.17 FL .17 SL
PRIN PMT FOR JUNE 2009 GNMA GTD PASS THRU CTF POOL #279513 9.000% DUE 12/15/2019	07/15/09 01/16/90	4.23 4.15 4.15		.08 FL .08 SL
PRIN PMT FOR 07/01/09 GNMA GTD PASS THRU CTF POOL # 5.000% DTD 10/05/04 DUE 11/20/2034 AVERAGE LIFE 2 YRS FROM 10/29/04	07/20/09 10/05/04	2,705.45 2,705.45 2,705.45		
TOTALS		47,615.66 12,108.95 12,108.95		35,506.71 FL 35,506.71 SL

THE LOUIS W. AND DOLPHA BAEHR CHARITABLE FOUNDATION TRUST
APPLICATION GUIDELINES

Adopted June 11, 1985
Revised July 1, 1998
Revised July 15, 2009

HISTORY

The Louis W. and Dolpha Baehr Charitable Foundation Trust was founded in 1967 by Mr. and Mrs. L. W. Baehr, longtime residents of Paola, Kansas. Both Mr. and Mrs. Baehr were descendants of families which were early settlers in Eastern Kansas. They were hard working and generally conservative in their lifestyle. After coming to Paola in the early 1900's, they spent the balance of their lives working toward the growth and well-being of the Paola Community.

The Baehr's were generous in their giving. They were loyal to their community and although Mrs. Baehr had lost her sight by middle age, the couple enjoyed numerous opportunities for travel. Though they gave to many worthy causes, their greatest joy came from helping people—especially young people.

RESOURCES

Funds constituting the Louis W. and Dolpha Baehr Charitable Trust capital assets were acquired from gifts made by Mr. and Mrs. Baehr during their lifetime and from the residues of their estates. The corporate trustee of the funds is First Option Bank Trust Department of Paola, Kansas. Current Trustees are: **Kathy Lovig, Chairman,** Dr. Robert E. Banks, Robert I. Nicholson Jr., Artie Stuteville, Gregg Lewis, Phil McLaughlin and Blake Heid.

PROGRAM AND POLICY

Human needs far exceed the resources of all private foundations. To use financial resources wisely requires every donor to think carefully and systematically about what problems are important and the ways in which its own activities can make a difference with those problems.

The Trust Agreement, as established by Mr. and Mrs. Baehr, states that the use of funds shall be for "charitable purposes" and shall include only religious, charitable, scientific or educational purposes within the meaning of those terms as used in Section 501 (C) (3) of the Internal Revenue Code of 1954, but only such purposes as also constitute public charitable purposes under the law of trusts of the State of Kansas.

A wide range of proposals from a variety of organizations will be considered in the Foundation's effort to respond effectively to changing social needs. The requesting organization must qualify for tax exempt status as prescribed in the paragraph above. Only organizations which have non –discriminating policies are eligible. Each proposal is viewed within the framework of our overall philosophy of giving, which reflects a serious and coordinated approach to the needs and problems of that community. Support of proposals is based on benefits rendered to the community.

EVALUATION GUIDELINES

1. The programs service area is restricted to Kansas City and the eastern half of Kansas
2. Whether or not the program serves a "charitable purpose" as described earlier
3. Whether or not the requesting agency operates independently or as a chapter of a national organization, except those which have previously been supported
4. The programs impact on the community
5. The efficiency of the requesting organization's structure and management, including establishing of objectives, budget and board of directors and staff responsibilities
6. Possible duplication of government or private sector efforts
7. Whether, and in what way, the success or failure of the program can be effectively measured
8. Evidence of broad community support

LIMITATIONS

Because we cannot fund every worthwhile endeavor, we direct our resources to those areas where we feel the most critical needs exist and where our support can have the greatest impact. ***In general*, the Foundation does *not* consider funding the following:**

1. Organizations and causes outside the Kansas City area and the eastern half of Kansas
2. Organizations and programs designed to influence legislation or elect candidates to public office
3. Agencies which are operating as chapters of a state or national organization
4. Individuals
5. Sectarian or religious organizations whose services are limited to members of any one religious group
6. Tickets or tables for benefit purposes
7. Advertising for benefit purposes
8. Loans or investments

RECIPIENT ACCOUNTABILITY

Recipients of major grants, if designated by the trustees, are required to make periodic written progress reports. At the expiration of the grant, recipients are also required to submit a written narrative report together with an accounting of all disbursements.

It is the responsibility of the grant recipient to ensure that the grant is used for the purpose indicated in the grant request. In certain cases, the recipient may be asked to sign a statement to this effect. If for any reason the grant is used for other than the stated purpose, the Foundation reserves the right to withdraw funding.

HOW TO APPLY

All proposals or requests for grants from not-for-profit, tax exempt organizations should be submitted on the organization's stationery and must include the following information:

A. Description of the project, which should include:

   1. Verification of community need
   2. Challenge to be addressed
   3. Target group for project
   4. Project goals and method for achieving the goals
   5. Itemized budget for the project
   6. Specific amount requested

B. Description of the project's key personnel and their experience

C. Project timetable

D. Brief history of the organization and its prior accomplishments, or a copy of its most recent annual report

E. Audit report for the latest completed fiscal year and a statement of current operating budget, including fund-raising costs

F. The ruling of the Internal Revenue Service as to the tax exempt status (501 c 3) as well as copy of the ruling which states the organization is not a private foundation, as defined in Section 509 (a) of the code

G. Statement of whether proposal has been submitted to other sources for support, including a listing of those sources and amounts

H. Listing of board of directors and officers of the organization and their affiliations

I. Agreement to report to the Baehr Foundation evaluation procedures and final results of programs to which we have offered support

J. All proposals should be direct, concise and simply phrased. Meetings are currently scheduled for January and July. However, applying organizations should confirm meeting dates prior to submitting requests by contacting either **Kathy Lovig at (913) 294-3811 or Betty Hewitt at (913) 294-3811.** Proposals must be received at least four weeks prior to the month in which the request is to be reviewed. Following receipt of a proposal, final decision can be given within a period of twelve weeks, at which time the requesting organization will be sent written notification of the status of the request. Multiple proposals in a single calendar year from one organization are discouraged.

These guidelines will be followed to determine merit and order of proposals accepted. The rejection of a proposal should not be construed as a negative reaction to a particular organization or project, but rather as a selective choice on the part of the Baehr Foundation Trustees to use limited resources in an alternative fashion.

WHERE TO APPLY

All inquiries regarding Baehr Foundation Grants should be directed to:

Board of Trustees, Baehr Charitable Foundation
First Option Bank Trust Department
P. O. Box B
Paola, KS 66071

Attention: Kathy Lovig, Chairman, or
Betty Hewitt, Secretary