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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

2009Department of the Treasury
Internal Revenue Service

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

For calendar year 2009, or tax year beginning JUL 1, 2009, and ending JUN 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 CHARLES AND CAROLYN RUSSELL FAMILY FOUNDATION		A Employer identification number 26-0641114
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 222 W SUPERIOR STREET 400		B Telephone number 218-723-2675
	City or town, state, and ZIP code DULUTH, MN 55802		C If exemption application is pending, 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"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 457,106. (Part I, column (d) must be on cash basis.)			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)			

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))		(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			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	10,010.	10,010.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<108,861.>			
	b Gross sales price for all assets on line 6a	441,328.			
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
Operating and Administrative Expenses	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	<1,102.>	<1,102.>		STATEMENT 2
	12 Total Add lines 1 through 11	<99,953.>	8,908.		
	13 Compensation of officers, directors, trustees, etc	6,071.	6,071.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees	2,000.	2,000.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes	<625.>	222.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
22 Printing and publications					
23 Other expenses	105.	105.		0.	
24 Total operating and administrative expenses Add lines 13 through 23	7,551.	8,398.		0.	
25 Contributions, gifts, grants paid	16,000.			16,000.	
26 Total expenses and disbursements. Add lines 24 and 25	23,551.	8,398.		16,000.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	<123,504.>				
b Net investment income (if negative, enter -0-)		510.			
c Adjusted net income (if negative, enter -0-)			N/A		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing		396.	396.
	2 Savings and temporary cash investments	4,549.	12,968.	12,968.
	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			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock			
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 6	600,050.	466,980.	443,742.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	604,599.	480,344.	457,106.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	604,599.	480,344.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
30 Total net assets or fund balances	604,599.	480,344.		
31 Total liabilities and net assets/fund balances	604,599.	480,344.		

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	604,599.
2 Enter amount from Part I, line 27a	2	<123,504.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	481,095.
5 Decreases not included in line 2 (itemize) ▶ POWERSHARES K-1 BOOK TAX DIFFERENCE	5	751.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	480,344.

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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 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b SEE ATTACHED STATEMENT			
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 441,328.		550,189.	<108,861.>

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

(i) F.M.V. 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			<108,861.>

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	<108,861.>
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). If (loss), enter -0- in Part I, line 8	3	N/A

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 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))
2008	12,297.	429,037.	.028662
2007	0.	496,846.	.000000
2006			
2005			
2004			

2 Total of line 1, column (d)	2	.028662
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	.014331
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	468,683.
5 Multiply line 4 by line 3	5	6,717.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	5.
7 Add lines 5 and 6	7	6,722.
8 Enter qualifying distributions from Part XII, line 4	8	16,000.

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.

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Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see 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 or determination letter: _____ (attach copy of letter if necessary-see instructions)	1	5.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	2	0.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)	3	5.
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
3	Add lines 1 and 2	5	5.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		
6	Credits/Payments:		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	200.
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	200.
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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	195.
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax <input checked="" type="checkbox"/> 195. Refunded <input type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
c 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. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
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.		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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? If "Yes," complete Part II, col (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> MN		
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	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		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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Part VII-A Statements Regarding Activities (continued)

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? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>WELLS FARGO BANK, N/A</u> Telephone no. ► <u>218-723-2675</u> Located at ► <u>222 W SUPERIOR STREET, DULUTH, MN</u> ZIP+4 ► <u>55802</u>			
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 N/A			

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
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 checked="" type="checkbox"/> Yes <input 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		X
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?		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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If "Yes," list the years ► <u>2008</u> , _____ , _____ , _____		
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 instructions.)		X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____ , _____ , _____ , _____		
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 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.)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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?		X

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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)?

☐ 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 instructions)?

N/A

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?

N/A

☐ 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

6b

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

If "Yes" to 6b, file Form 8870.

☐ Yes ☒ No

7b

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?

N/A

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.

(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
WELLS FARGO BANK N/A 222 W SUPERIOR STREET DULUTH, MN 55802	TRUSTEE	2.00	6,071.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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				

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

0

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Information About Officers, Directors, Trustees, Paid Employees, and Contractors (continued)

(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

0

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	N/A
---	-----

2

3

4

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

Amount

1	N/A
---	-----

2

All other program-related investments. See instructions.

3

Total. Add lines 1 through 3

0.

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02-02-10

**CHARLES AND CAROLYN RUSSELL FAMILY
FOUNDATION**
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	461,959.
b Average of monthly cash balances	1b	13,861.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	475,820.
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	475,820.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	7,137.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	468,683.
6 Minimum investment return. Enter 5% of line 5	6	23,434.

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	23,434.
2a Tax on investment income for 2009 from Part VI, line 5	2a	5.
b Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	5.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	23,429.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	23,429.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	23,429.

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	16,000.
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	16,000.
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	5	5.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	15,995.

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				23,429.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			21,419.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ 16,000.				
a Applied to 2008, but not more than line 2a			16,000.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				0.
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))	0.			0.
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		0.		
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 instr.			5,419.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				23,429.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	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				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

N/A

- ☐ 4942(j)(3) or ☐ 4942(j)(5)

- (4) Gross investment income**

[illegible]Form **990-PF** (2009)

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

<div>Recipient</div> <div>Name and address (home or business)</div>	<div>If recipient is an individual, show any relationship to any foundation manager or substantial contributor</div>	<div>Foundation status of recipient</div>	<div>Purpose of grant or contribution</div>	<div>Amount</div>
a Paid during the year				
UNIVERSITY OF MINNESOTA DULUTH - SCHOOL OF FINE ARTS - 1201 ORDEAN COURT DULUTH, MN 55812	NONE	EDUCATIONAL INSTITUTION	SUMMER ARTS FESTIVAL	10,000.
UNIVERSITY OF MINNESOTA DULUTH - SCHOOL OF FINE ARTS - 1201 ORDEAN COURT DULUTH, MN 55812	NONE	EDUCATIONAL INSTITUTION	SIEUR DULUTH SUMMER ARTS FESTIVAL	2,000.
MATINEE MUSICALE 1727 EAST FIRST STREET DULUTH, MN 55812	NONE	OTHER PUBLIC CHARITY	GENERAL	4,000.
Total			▶ 3a	16,000.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
		14	10,010.	
		14	<1,102.>	
		18	<108,861.>	
	0.		<99,953.>	0.

13 <99,953.>

(See worksheet in line 13 instructions to verify calculations.)

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).
----------------------	---

[illegible]

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

- [illegible]

- 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
N/A		

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

Signature of officer or trustee

Date _____

9/24/2010

Title

Auf

**Paid
Preparer's
Use Only**

Preparer's
signature

Firm's name (or yours
if self-employed),
address, and ZIP code

Kim M. Muller
RSM MCGLADREY, INC.
700 MISSABE BUILDING
DULUTH, MN 55802

Date

9-22-10

Check if self-employer	
------------------------	--

Preparer's identifying number

EIN ▶

Phone no. (218) 727-8253

Form **990-PF** (2009)

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 shs. MLC Co.		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a WELLS FARGO SHORT TERM - SEE ATTACHED		P	VARIOUS	VARIOUS
b WELLS FARGO LONG TERM - SEE ATTACHED		P	VARIOUS	VARIOUS
c POWERSHARES K-1 S/T CAPITAL LOSS		P		
d POWERSHARES K-1 L/T CAPITAL LOSS		P		
e POWERSHARES K-1 SEC. 1256 LOSS		P		
f POWERSHARES K-1 SEC. 1256 LOSS		P		
g				
h				
i				
j				
k				
l				
m				
n				
o				

(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 64,126.		58,944.	5,182.
b 375,944.		490,804.	<114,860.>
c 97.			97.
d		441.	<441.>
e 464.			464.
f 697.			697.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			5,182.
b			<114,860.>
c			97.
d			<441.>
e			464.
f			697.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	<108,861.>
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). If (loss), enter "-0-" in Part I, line 8 }		3	N/A

Wells Fargo

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Statement of Capital Gains and Losses From Sales
(Does not include capital gain distributions from mutual funds or CTF's - See Tax Transaction Detail)

8/10/2010 08:11:28

Account Id: 72581000

RUSSELL, CHARLES & CAROLYN FMLY FDN

Trust Year 7/1/2009 - 6/30/2010

Type	Description	Date	Shares	Price	Fed Cost	State Cost	Fed Gain	State Gain	(Type)
256206103	DODGE & COX FDS INTL STK FD								
Sold		11/20/09	221 59	7,000 00					
Acq		08/30/07	221 59	7,000 00	10,292.81	10,292 81	-3,292 81	-3,292 81	L
Total for 11/20/2009					10,292 81	10,292 81	-3,292 81	-3,292 81	
256206103	DODGE & COX FDS INTL STK FD								
Sold		02/09/10	663 79	20,000 00					
Acq		08/30/07	663 79	20,000 00	30,833 04	30,833 04	-10,833 04	-10,833 04	L
Total for 2/9/2010					30,833.04	30,833 04	-10,833 04	-10,833 04	
256206103	DODGE & COX FDS INTL STK FD								
Sold		02/16/10	985	30,131 15					
Acq		08/30/07	985	30,131 15	45,753.25	45,753 25	-15,622 10	-15,622 10	L
Total for 2/16/2010					45,753.25	45,753 25	-15,622 10	-15,622.10	
256206103	DODGE & COX FDS INTL STK FD								
Sold		04/29/10	49	1,614 55					
Acq		08/30/07	49	1,614 55	2,276 05	2,276 05	-661 50	-661 50	L
Total for 4/29/2010					2,276 05	2,276 05	-661 50	-661 50	
256210105	DODGE & COX INCOME FD COM								
Sold		04/29/10	290	3,819.30					
Acq		02/18/10	290	3,819 30	3,778 70	3,778 70	40 60	40 60	S
Total for 4/29/2010					3,778 70	3,778 70	40 60	40 60	
256210105	DODGE & COX INCOME FD COM								
Sold		05/25/10	141	1,859 79					
Acq		02/18/10	141	1,859 79	1,837 23	1,837.23	22 56	22 56	S
Total for 5/25/2010					1,837 23	1,837 23	22 56	22 56	
339128100	JP MORGAN MID CAP VALUE-I								
Sold		04/29/10	56	1,236 48					
Acq		02/18/10	56	1,236 48	1,095 92	1,095 92	140 56	140 56	S
Total for 4/29/2010					1,095 92	1,095 92	140 56	140 56	
38142Y401	GOLDMAN SACHS TR GROWTH								
Sold		04/29/10	56	1,260 56					
Acq		02/18/10	56	1,260 56	1,137.92	1,137 92	122 64	122 64	S
Total for 4/29/2010					1,137 92	1,137 92	122 64	122 64	
38142Y773	GOLDMAN SACHS LARGE CAP VALUE INSTL CL								
Sold		11/20/09	761 91	8,000 00					
Acq		08/30/07	761.91	8,000 00	11,390 48	11,390 48	-3,390 48	-3,390 48	L
Total for 11/20/2009					11,390 48	11,390 48	-3,390 48	-3,390 48	
38142Y773	GOLDMAN SACHS LARGE CAP VALUE INSTL CL								
Sold		02/16/10	2966 219	31,501 25					
Acq		12/08/09	37.971	403 25	394 14	394 14	9 11	9 11	S
Acq		12/09/08	63 636	675 81	537 09	537 09	138 72	138 72	L
Acq		12/13/07	282 035	2,995 21	3,948 49	3,948 49	-953 28	-953 28	L

Statement of Capital Gains and Losses From Sales
(Does not include capital gain distributions from mutual
funds or CTF's - See Tax Transaction Detail)

8/10/2010 08:11:28

Account Id: 72581000

RUSSELL, CHARLES & CAROLYN FMLY FDN
Trust Year 7/1/2009 - 6/30/2010

Type	Description	Date	Shares	Price	Fed Cost	State Cost	Fed Gain	State Gain	(Type)
38142Y773	GOLDMAN SACHS LARGE CAP VALUE INSTL CL								
Sold		02/16/10	2966 219	31,501 25					
Acq		08/30/07	2582 577	27,426 97	38,609.52	38,609 52	-11,182 55	-11,182 55	L
Total for 2/16/2010					43,489 24	43,489 24	-11,987.99	-11,987.99	
411511504	HARBOR CAP APPRECIATION FD								
Sold		04/29/10	216	7,512 48					
Acq		02/18/10	216	7,512 48	6,909 84	6,909 84	602 64	602 64	S
Total for 4/29/2010					6,909 84	6,909 84	602.64	602 64	
448108100	HUSSMAN INVT TR								
Sold		02/09/10	1782 946	23,000 00					
Acq		08/30/07	1782 946	23,000 00	29,204 65	29,204 65	-6,204.65	-6,204 65	L
Total for 2/9/2010					29,204 65	29,204 65	-6,204 65	-6,204 65	
448108100	HUSSMAN INVT TR								
Sold		04/29/10	280	3,547 60					
Acq		08/30/07	280	3,547 60	4,586 40	4,586 40	-1,038 80	-1,038 80	L
Total for 4/29/2010					4,586 40	4,586 40	-1,038 80	-1,038 80	
44982G104	ING CLARION GLOBAL REAL ESTATE								
Sold		02/16/10	277	1,819 86					
Acq		08/29/07	277	1,819 86	4,858.96	4,858 96	-3,039 10	-3,039 10	L
Total for 2/16/2010					4,858 96	4,858 96	-3,039 10	-3,039 10	
464287200	ISHARES TR								
Sold		04/29/10	38	4,577 77					
Acq		02/16/10	38	4,577 77	4,168 97	4,168 97	408 80	408 80	S
Total for 4/29/2010					4,168 97	4,168 97	408 80	408 80	
464287242	ISHARES TR								
Sold		05/25/10	8	849.88					
Acq		04/29/10	8	849 88	854 45	854 45	-4 57	-4 57	S
Total for 5/25/2010					854 45	854 45	-4.57	-4 57	
487300808	KEELEY SMALL CAP VAL FD CL I #2251								
Sold		04/29/10	747	17,307 99					
Acq		02/18/10	747	17,307 99	15,037 11	15,037 11	2,270 88	2,270 88	S
Total for 4/29/2010					15,037 11	15,037 11	2,270 88	2,270 88	
56063J302	MAINSTAY EP US EQUITY-INS #1204								
Sold		04/29/10	466	6,430 80					
Acq		02/18/10	466	6,430 80	5,838 98	5,838 98	591 82	591 82	S
Total for 4/29/2010					5,838 98	5,838 98	591 82	591 82	
72201M552	PIMCO TOTAL RET FUND CLASS P #1902								
Sold		04/29/10	357	3,966 27					
Acq		02/18/10	357	3,966 27	3,894 87	3,894 87	71 40	71 40	S
Total for 4/29/2010					3,894 87	3,894 87	71 40	71.40	

Wells Fargo

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Statement of Capital Gains and Losses From Sales
(Does not include capital gain distributions from mutual
funds or CTF's - See Tax Transaction Detail)

8/10/2010 08:11:28

Account Id: 72581000

RUSSELL, CHARLES & CAROLYN FMLY FDN
Trust Year 7/1/2009 - 6/30/2010

Type	Description	Date	Shares	Price	Fed Cost	State Cost	Fed Gain	State Gain	(Type)
72201M552	PIMCO TOTAL RET FUND CLASS P #1902								
Sold		05/25/10	166	1,842.60					
Acq		02/18/10	166	1,842.60	1,811.06	1,811.06	31.54	31.54	S
Total for 5/25/2010					1,811.06	1,811.06	31.54	31.54	
76628T645	STI CLASSIC SEIX HIGH YIELD I #855								
Sold		05/25/10	101	914.05					
Acq		02/18/10	66	597.30	605.22	605.22	-7.92	-7.92	S
Acq		05/03/10	35	316.75	334.95	334.95	-18.20	-18.20	S
Total for 5/25/2010					940.17	940.17	-26.12	-26.12	
77957P105	T ROWE PRICE SHORT TERM BD FUND INC								
Sold		05/25/10	486	2,357.10					
Acq		02/18/10	122	591.70	591.70	591.70	0.00	0.00	S
Acq		05/03/10	364	1,765.40	1,769.04	1,769.04	-3.64	-3.64	S
Total for 5/25/2010					2,360.74	2,360.74	-3.64	-3.64	
780905840	ROYCE FD PENNSYLVANIA MUT FD INVT CL								
Sold		02/16/10	1665.464	15,622.05					
Acq		12/09/08	27.429	257.28	178.56	178.56	78.72	78.72	L
Acq		12/07/07	147.103	1,379.83	1,621.07	1,621.07	-241.24	-241.24	L
Acq		08/30/07	1489.54	13,971.88	17,800.00	17,800.00	-3,828.12	-3,828.12	L
Acq		12/09/09	1.392	13.06	12.65	12.65	0.41	0.41	S
Total for 2/16/2010					19,612.28	19,612.28	-3,990.23	-3,990.23	
78462F103	SPDR TR UTS								
Sold		02/16/10	410	44,841.12					
Acq		08/29/07	410	44,841.12	59,982.10	59,982.10	-15,140.98	-15,140.98	L
Total for 2/16/2010					59,982.10	59,982.10	-15,140.98	-15,140.98	
88018W302	TEMPLETON DEVELOPING MKTS TR								
Sold		02/16/10	1280.365	26,503.56					
Acq		08/30/07	978.474	20,254.42	30,000.00	30,000.00	-9,745.58	-9,745.58	L
Acq		12/17/07	167.326	3,463.65	4,851.08	4,851.08	-1,387.43	-1,387.43	L
Acq		09/01/09	2.113	43.74	39.22	39.22	4.52	4.52	S
Acq		12/15/09	21.248	439.83	458.32	458.32	-18.49	-18.49	S
Acq		12/17/08	72.792	1,506.79	976.15	976.15	530.64	530.64	L
Acq		09/02/08	38.412	795.13	841.25	841.25	-46.12	-46.12	L
Total for 2/16/2010					37,166.02	37,166.02	-10,662.46	-10,662.46	
880208400	TEMPLETON GLOBAL BD FD ADVISOR CL								
Sold		05/25/10	59	742.81					
Acq		02/18/10	32.27	406.28	415.96	415.96	-9.68	-9.68	S
Acq		05/03/10	22	276.98	298.76	298.76	-21.78	-21.78	S
Acq		01/15/10	4.73	59.55	61.21	61.21	-1.66	-1.66	S
Total for 5/25/2010					775.93	775.93	-33.12	-33.12	

Wells Fargo

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Statement of Capital Gains and Losses From Sales
(Does not include capital gain distributions from mutual
funds or CTF's - See Tax Transaction Detail)

8/10/2010 08:11:29

Account Id: 72581000

RUSSELL, CHARLES & CAROLYN FMLY FDN

Trust Year 7/1/2009 - 6/30/2010

Type	Description	Date	Shares	Price	Fed Cost	State Cost	Fed Gain	State Gain	(Type)
921908703	VANGUARD SPECIALIZED PORTFOLIO REIT								
Sold		02/16/10	254 509	3,649 66					
Acq		12/19/07	3 611	51.78	72.16	72.16	-20 38	-20 38	L
Acq		09/21/07	2 245	32.19	52.09	52 09	-19 90	-19 90	L
Acq		08/30/07	220 556	3,162 77	4,917 21	4,917 21	-1,754 44	-1,754 44	L
Acq		12/23/09	3 173	45 50	47.75	47.75	-2 25	-2 25	S
Acq		09/23/09	2 383	34 17	33.36	33 36	0 81	0 81	S
Acq		03/24/08	1 688	24 21	35 78	35 78	-11 57	-11 57	L
Acq		03/24/09	4 704	67 46	37.73	37.73	29 73	29 73	S
Acq		12/23/08	6 27	89 91	70.15	70 15	19 76	19 76	L
Acq		09/23/08	2 944	42 22	57 20	57 20	-14 98	-14 98	L
Acq		06/23/08	2 985	42 80	58.50	58 50	-15 70	-15 70	L
Acq		06/23/09	3 95	56 64	38.71	38 71	17 93	17 93	S
Total for 2/16/2010					5,420 64	5,420 64	-1,770 98	-1,770 98	
921937306	VANGUARD BD INDEX FD INC INTER TERM PORT								
Sold		02/16/10	7093 51	76,964 58					
Acq		01/31/08	25 808	280 02	276 66	276 66	3 36	3 36	L
Acq		02/29/08	23 955	259 91	257 52	257 52	2 39	2 39	L
Acq		03/31/08	25 725	279 12	275 51	275 51	3 61	3 61	L
Acq		04/30/08	25.102	272 36	265 58	265 58	6 78	6 78	L
Acq		05/30/08	26 465	287 15	275.24	275 24	11 91	11 91	L
Acq		06/30/08	26 168	283.92	270.84	270 84	13 08	13 08	L
Acq		07/31/08	27 238	295 53	280.82	280 82	14 71	14 71	L
Acq		08/29/08	27 035	293.33	279 81	279 81	13 52	13 52	L
Acq		09/30/08	27.409	297 39	272 72	272.72	24 67	24 67	L
Acq		10/31/08	29 341	318 35	278 45	278 45	39 90	39 90	L
Acq		11/28/08	26 795	290 73	267 68	267 68	23 05	23 05	L
Acq		12/31/08	26 252	284 83	275 65	275 65	9 18	9 18	L
Acq		01/30/09	26 928	292 17	277 90	277 90	14 27	14 27	L
Acq		02/27/09	24 704	268 04	250.99	250 99	17 05	17.05	S
Acq		03/31/09	27.239	295 54	280 56	280.56	14 98	14 98	S
Acq		04/30/09	26.054	282 69	267 83	267.83	14 86	14.86	S
Acq		05/29/09	26 697	289 66	275 78	275 78	13 88	13 88	S
Acq		06/30/09	26 099	283 17	271.43	271 43	11 74	11 74	S
Acq		07/31/09	26 138	283 60	277.59	277.59	6 01	6 01	S
Acq		12/31/07	26 379	286 21	276 98	276 98	9 23	9 23	L
Acq		11/30/07	25 297	274 47	266 38	266 38	8 09	8 09	L
Acq		10/31/07	26 561	288 19	274 11	274 11	14 08	14 08	L
Acq		09/28/07	25 741	279 29	264 10	264 10	15 19	15 19	L
Acq		08/31/07	0 858	9 31	8 79	8 79	0 52	0 52	L
Acq		08/30/07	6335 283	68,737 82	65,000 00	65,000 00	3,737 82	3,737 82	L
Acq		09/30/09	24 755	268 59	268 34	268 34	0 25	0 25	S
Acq		10/30/09	25 56	277 33	277 58	277.58	-0 25	-0 25	S
Acq		11/30/09	24 33	263 98	268 60	268 60	-4 62	-4 62	S
Acq		08/31/09	25 92	281 23	277 86	277 86	3 37	3 37	S

Wells Fargo

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Statement of Capital Gains and Losses From Sales
(Does not include capital gain distributions from mutual
funds or CTF's - See Tax Transaction Detail)

8/10/2010 08:11:29

Account Id: 72581000

RUSSELL, CHARLES & CAROLYN FMly FDN

Trust Year 7/1/2009 - 6/30/2010

Type	Description	Date	Shares	Price	Fed Cost	State Cost	Fed Gain	State Gain	(Type)
921937306	VANGUARD BD INDEX FD INC INTER TERM PORT								
Sold		02/16/10	7093.51	76,964.58					
Acq		01/29/10	25.65	278.30	279.58	279.58	-1.28	-1.28	S
Acq		12/31/09	26.024	282.36	278.98	278.98	3.38	3.38	S
Total for 2/16/2010					72,919.86	72,919.86	4,044.72	4,044.72	
922908553	VANGUARD REIT VIPER								
Sold		04/29/10	87	4,552.19					
Acq		02/16/10	87	4,552.19	3,729.69	3,729.69	822.50	822.50	S
Total for 4/29/2010					3,729.69	3,729.69	822.50	822.50	
922908843	VANGUARD INDEX TR MIDCAP #859								
Sold		02/16/10	1507.052	24,670.44					
Acq		12/23/08	29.682	485.89	330.06	330.06	155.83	155.83	L
Acq		03/20/09	1.297	21.23	13.41	13.41	7.82	7.82	S
Acq		08/30/07	1441.615	23,599.24	30,000.00	30,000.00	-6,400.76	-6,400.76	L
Acq		12/19/07	18.524	303.24	377.70	377.70	-74.46	-74.46	L
Acq		12/23/09	15.619	255.68	258.02	258.02	-2.34	-2.34	S
Acq		03/11/08	0.315	5.16	5.84	5.84	-0.68	-0.68	L
Total for 2/16/2010					30,985.03	30,985.03	-6,314.59	-6,314.59	
949915631	WF ADV CAP GROWTH FD ADMIN CL #3603								
Sold		02/16/10	4666.705	61,973.84					
Acq		12/17/09	12.123	160.99	163.66	163.66	-2.67	-2.67	S
Acq		08/30/07	4203.889	55,827.64	80,000.00	80,000.00	-24,172.36	-24,172.36	L
Acq		12/14/07	222.697	2,957.42	4,371.54	4,371.54	-1,414.12	-1,414.12	L
Acq		12/12/08	227.996	3,027.79	2,270.84	2,270.84	756.95	756.95	L
Total for 2/16/2010					86,806.04	86,806.04	-24,832.20	-24,832.20	
Total for Account: 72581000					549,748.43	549,748.43	-109,678.70	-109,678.70	
Total Proceeds:						Fed	State		
440,069.73					S/T Gain/Loss	5,182.46	5,182.46		
					L/T Gain/Loss	-114,861.16	-114,861.16		

Short Term Proceeds: 64,126

Short-Term Cost 58,944

5,182440,070
< 64,126 > Short-Term375,944 Long-Term Proceeds549,748
< 58,944 > Short-Term
490,804 Long-Term Cost

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DOMESTIC DIVIDENDS	2,506.	0.	2,506.
FOREIGN DIVIDENDS	1,813.	0.	1,813.
NONQUALIFIED DOMESTIC DIVIDENDS	3,589.	0.	3,589.
NONQUALIFIED DOMESTIC DIVIDENDS - STATE NONTAXABLE	549.	0.	549.
NONQUALIFIED FOREIGN DIVIDENDS	380.	0.	380.
OID INTEREST	1,159.	0.	1,159.
POWERSHARES K-1 INTEREST INCOME	14.	0.	14.
TOTAL TO FM 990-PF, PART I, LN 4	10,010.	0.	10,010.

FORM 990-PF	OTHER INCOME	STATEMENT	2
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INCOME/LOSS	<1,102.>	<1,102.>	
TOTAL TO FORM 990-PF, PART I, LINE 11	<1,102.>	<1,102.>	

FORM 990-PF	ACCOUNTING FEES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,000.	2,000.		0.
TO FORM 990-PF, PG 1, LN 16B	2,000.	2,000.		0.

FORM 990-PF	TAXES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FOREIGN TAXES	222.	222.		0.	
FEDERAL TAX REFUND	<847.>	0.		0.	
TO FORM 990-PF, PG 1, LN 18	<625.>	222.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
STATE FILING FEE	25.	25.		0.	
POWERSHARES K-1 OTHER DEDUCTIONS	80.	80.		0.	
TO FORM 990-PF, PG 1, LN 23	105.	105.		0.	

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	6
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
SEE ATTACHED STATEMENT	COST	101,922.	105,392.	
SEE ATTACHED STATEMENT	COST	232,485.	210,070.	
SEE ATTACHED STATEMENT	COST	71,366.	67,791.	
SEE ATTACHED STATEMENT	COST	61,207.	60,489.	
TOTAL TO FORM 990-PF, PART II, LINE 13		466,980.	443,742.	



Account Statement For:
RUSSELL, CHARLES & CAROLYN FMLY FDN

Period Covered June 1, 2010 - June 30, 2010
Account Number 72581000

ASSET DETAIL (continued)

ASSET DESCRIPTION

Fixed Income

DOMESTIC MUTUAL FUNDS

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 06/30/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
DODGE & COX INCOME FD COM CUSIP: 256210105	1,354,000	\$13.190	\$17,859.26	\$17,642.62	\$216.64	\$862.50	4.83%
ISHARES IBOX \$ INVESTMENT GRADE CORPORATE BOND FUND CUSIP: 464287242	82,000	108.460	8,893.72	8,546.37	347.35	454.12	5.11
PIMCO TOTAL RETURN FUND CLASS P #1902 CUSIP: 72201M552	1,607,000	11.260	18,094.82	17,532.37	562.45	726.36	4.01
RIDGEWORTH SEIX HIGH YIELD BOND FUND CLASS 1 #855 CUSIP: 76628T645	1,955,000	9.220	18,025.10	17,927.35	97.75	1,499.49	8.32
T ROWE PRICE SHORT TERM BOND FUND #55 CUSIP: 77957P105	4,853,000	4.860	23,585.58	23,537.05	48.53	727.95	3.09
TEMPLETON GLOBAL BOND FUND - ADVISOR CLASS #616 CUSIP: 880208400	1,469,962	12.880	18,933.11	16,736.17	2,196.94	855.52	4.52
Total Domestic Mutual Funds			\$105,391.59	\$101,921.93	\$3,469.66	\$5,125.94	4.86%
Total Fixed Income			\$105,391.59	\$101,921.93	\$3,469.66	\$5,125.94	



Account Statement For:
RUSSELL, CHARLES & CAROLYN FMLY FDN

Period Covered June 1, 2010 - June 30, 2010

Account Number 72581000

ASSET DETAIL (continued)

ASSET DESCRIPTION

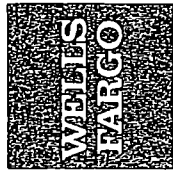
Equities

DOMESTIC MUTUAL FUNDS

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 06/30/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
ARTISAN INTERNATIONAL FUND #661 SYMBOL: ARTIX CUSIP: 04314H204	1,645,000	\$17.550	\$29,034.25	\$31,452.40	-\$2,418.15	\$404.67	1.39%
DODGE & COX INTERNATIONAL STOCK FUND SYMBOL: DODFX CUSIP: 256206103	980,083	28.390	27,824.56	36,523.63	- 8,699.07	427.32	1.54
GOLDMAN SACHS GROWTH OPPORTUNITY FUND INSTITUTIONAL SHARES #1132 SYMBOL: GGOIX CUSIP: 38142Y401	671,000	19.600	13,151.60	13,634.72	- 483.12	0.00	0.00
HARBOR CAP APPREC FD#2012 SYMBOL: HACAX CUSIP: 411511504	1,220,000	29.460	35,941.20	39,027.80	- 3,086.60	106.14	0.29
ISHARES S & P 500 INDEX FUND SYMBOL: IW CUSIP: 464287200	197,000	103.460	20,381.62	21,612.81	- 1,231.19	417.05	2.05
JP MORGAN MID CAP VALUE FUND-CLASS I #758	564,000	19.220	10,840.08	11,037.48	- 197.40	9.59	0.09
SYMBOL: FLMVX CUSIP: 339128100							
KEELEY SMALL CAP VALUE FUND CLASS I #2251	598,000	18.850	11,272.30	12,037.74	- 765.44	49.63	0.44
SYMBOL: KSCIX CUSIP: 487300808							
MAINSTAY EPOCH U S EQUITY FUND CLASS INS #1204	2,361,000	11.700	27,623.70	29,583.33	- 1,959.63	288.04	1.04
SYMBOL: EPLCX CUSIP: 56063J302							
TCW SMALL CAP GROWTH FUND CLASS I #4724	503,000	22.960	11,548.88	13,681.60	- 2,132.72	0.00	0.00
SYMBOL: TGSCX CUSIP: 87234N849							
Total Domestic Mutual Funds			\$187,618.19	\$208,591.51	-\$20,973.32	\$1,702.44	0.91%
INTERNATIONAL MUTUAL FUNDS							
VANGUARD EMERGING MARKETS ETF SYMBOL: VWO CUSIP: 922042858	591,000	\$37.990	\$22,452.09	\$23,893.42	-\$1,441.33	\$322.10	1.43%
Total International Mutual Funds			\$22,452.09	\$23,893.42	-\$1,441.33	\$322.10	1.43%
Total Equities			\$210,070.28	\$232,484.93	-\$22,414.65	\$2,024.54	0.96%

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PRIVATE CLIENT SERVICES



Account Statement For:
RUSSELL, CHARLES & CAROLYN FMLY FDN

Period Covered: June 1, 2010 - June 30, 2010

Account Number 72581000

ASSET DETAIL *(continued)*

ASSET DESCRIPTION

Complementary Strategies

OTHER

DIAMOND HILL LONG-SHORT FUND CLASS I
#11

SYMBOL: DHLSX CUSIP: 252645833

HUSSMAN STRATEGIC GROWTH FUND #601

SYMBOL: HSGFX CUSIP: 448108100

MERGER FD SH BEN INT

SYMBOL: MERFX CUSIP: 589509108

MERRILL LYNCH & CO

11/28/07 11/30/2010

1.43X LONG RICI SHORT USD

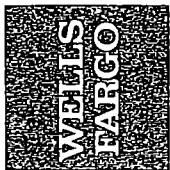
PRINCIPAL PROTECTED

CUSIP 59018YLL33

Total Other

Total Complementary Strategies

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 06/30/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
DIAMOND HILL LONG-SHORT FUND CLASS I #11	905.000	\$14.880	\$13,466.40	\$14,570.50	-\$1,104.10	\$0.00	0.00%
SYMBOL: DHLSX CUSIP: 252645833							
HUSSMAN STRATEGIC GROWTH FUND #601	1,493.233	13.450	20,083.98	22,216.38	-2,132.40	25.38	0.13
SYMBOL: HSGFX CUSIP: 448108100							
MERGER FD SH BEN INT	609.000	15.580	9,488.22	9,579.57	-91.35	0.00	0.00
SYMBOL: MERFX CUSIP: 589509108							
MERRILL LYNCH & CO	25,000.000	99.010	24,752.50	25,000.00	-247.50	0.00	0.00
11/28/07 11/30/2010							
1.43X LONG RICI SHORT USD							
PRINCIPAL PROTECTED							
CUSIP 59018YLL33							
Total Other			\$67,791.10	\$71,366.45	-\$3,575.35	\$25.38	0.04%
Total Complementary Strategies			\$67,791.10	\$71,366.45	-\$3,575.35	\$25.38	0.04%



Account Statement For:
RUSSELL, CHARLES & CAROLYN FMLY FDN

Period Covered: June 1, 2010 - June 30, 2010

Account Number 72581000

ASSET DETAIL (continued)

ASSET DESCRIPTION

Real Assets

REAL ASSET FUNDS

POWERSHARES DB COMMODITY INDEX
SYMBOL: DBC CUSIP: 739355105

SPDR DJ WILSHIRE INTERNATIONAL REAL
ESTATE ETF

SYMBOL: RWX CUSIP: 78463X863

VANGUARD REIT VIPER

SYMBOL: VNQ CUSIP: 922908553

Total Real Asset Funds

Total Real Assets

	QUANTITY	PRICE	MARKET VALUE AS OF 06/30/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
	921 000	\$21.570	\$19,865.97	\$21,778.80	-\$1,912.83	\$0.00	0.00%
	389 000	31.170	12,125.13	13,149.16	-1,024.03	915.32	7.55
	613 000	46.490	28,498.37	26,279.31	2,219.06	1,124.86	3.95
			\$60,489.47	\$61,207.27	-\$717.80	\$2,040.18	3.37%
			\$60,489.47	\$61,207.27	-\$717.80	\$2,040.18	3.37%

ACCOUNT VALUE
AS OF 06/30/10

TOTAL ASSETS

ACCOUNT VALUE
AS OF 06/30/10
\$457,106.67

COST BASIS
\$480,344.81

UNREALIZED
GAIN/LOSS
-\$23,238.14

ESTIMATED
ANNUAL INCOME
\$9,217.34