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

2010

For calendar year 2010, or tax year beginning, and ending

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

Name of foundation: HERSEY FOUNDATION

A Employer identification number: 23-7001771

Number and street (or P O box number if mail is not delivered to street address): 408 ST. PETER STREET — Room/suite: #434

B Telephone number: (651)298-0218

City or town, state, and ZIP code: ST. PAUL, MN 55102-1119

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 ▶ ☐

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

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

I Fair market value of all assets at end of year (*from Part II, col. (c), line 16*) ▶$ 8,207,974.21

J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) (*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 ▶ ☐

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 ▶ ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	1,867.54	1,867.54		STATEMENT 1
	4 Dividends and interest from securities	253,641.59	253,641.59		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	19,340.56			
	b Gross sales price for all assets on line 6a 173,029.90				
	7 Capital gain net income (from Part IV, line 2)		19,340.56		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 Total. Add lines 1 through 11	274,849.69	274,849.69		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.00	0.00		0.00
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	19,452.00	0.00		19,452.00
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	10,260.79	0.00		4,763.80
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications	181.74	0.00		181.74
	23 Other expenses STMT 5	1,459.54	0.00		1,459.54
	24 Total operating and administrative expenses. Add lines 13 through 23	31,354.07	0.00		25,857.08
	25 Contributions, gifts, grants paid	340,437.00			340,437.00
	26 Total expenses and disbursements. Add lines 24 and 25	371,791.07	0.00		366,294.08
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<96,941.38>			
	b Net investment income (if negative, enter -0-)		274,849.69		
	c Adjusted net income (if negative, enter -0-)			N/A	

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12-07-10 LHA For Paperwork Reduction Act Notice, see the instructions. Form 990-PF (2010)

Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets 1	Cash - non-interest-bearing	42,026.20	69,523.75	69,523.75
2	Savings and temporary cash investments	572,258.46	277,240.57	277,240.57
3	Accounts receivable ▶ 133,190.85			
	Less: allowance for doubtful accounts ▶	272,128.93	133,190.85	133,190.85
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 STMT 6	10,980,286.40	11,291,580.43	7,728,019.04
c	Investments - corporate bonds			
11	Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
12	Investments - mortgage loans			
13	Investments - other			
14	Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
15	Other assets (describe ▶)			
16	Total assets (to be completed by all filers)	11,866,699.99	11,771,535.60	8,207,974.21
Liabilities 17	Accounts payable and accrued expenses		1,776.99	
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons	200,000.00	200,000.00	STATEMENT 7
21	Mortgages and other notes payable			
22	Other liabilities (describe ▶)			
23	Total liabilities (add lines 17 through 22)	200,000.00	201,776.99	
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	0.00	0.00	
28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.00	0.00	
29	Retained earnings, accumulated income, endowment, or other funds	11,666,699.99	11,569,758.61	
30	**Total net assets or fund balances**	11,666,699.99	11,569,758.61	
31	**Total liabilities and net assets/fund balances**	11,866,699.99	11,771,535.60	

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	11,666,699.99
2	Enter amount from Part I, line 27a	2	<96,941.38>
3	Other increases not included in line 2 (itemize) ▶	3	0.00
4	Add lines 1, 2, and 3	4	11,569,758.61
5	Decreases not included in line 2 (itemize) ▶	5	0.00
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	11,569,758.61

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	SCHEDULE ATTACHED	P		
b	SCHEDULE ATTACHED	P		
c	CAPITAL GAINS DIVIDENDS			
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	116,300.41		113,693.93	2,606.48
b	44,919.45		39,995.41	4,924.04
c	11,810.04			11,810.04
d				
e				

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				2,606.48
b				4,924.04
c				11,810.04
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 — 19,340.56

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 X 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))
2009	304,705.83	6,763,150.11	.045054
2008	463,335.20	8,832,117.39	.052460
2007	571,239.62	11,305,936.19	.050526
2006	507,997.59	10,437,903.54	.048669
2005	484,702.86	10,083,176.25	.048070

2	Total of line 1, column (d)	2	.244779
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	.048956
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	7,549,465.67
5	Multiply line 4 by line 3	5	369,591.64
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2,748.50
7	Add lines 5 and 6	7	372,340.14
8	Enter qualifying distributions from Part XII, line 4	8	366,294.08

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 instructions)

1a 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 instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	5,496.99
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0.00
3 Add lines 1 and 2			3	5,496.99
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.00
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	5,496.99
6 Credits/Payments:				
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	3,720.00		
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	3,720.00
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	1,776.99
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11 Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶		**Refunded** ▶	11	

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?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see 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. ▶ $ 0.00 (2) On foundation managers. ▶ $ 0.00			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.00			
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? N/A	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, col. (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ 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*	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 2010 or the taxable year beginning in 2010 (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 ▶ DEAN E. BUSCH Telephone no. ▶ (651) 298-0218

Located at ▶ 408 ST. PETER STREET #434 ST.PAUL, MN ZIP+4 ▶ 55102-1119

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

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
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? ☐ Yes X 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 page 22 of the instructions)?	1b		X
	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 2010?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ Yes X No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
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.) N/A	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. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes X No			
b	If "Yes," did it have excess business holdings in 2010 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 2010.)* N/A	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 2010?	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 ☒ 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 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 ☒ 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 X No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: 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? N/A **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.

(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
EDWARD H. HAMM, JR. 408 ST. PETER ST. #434 SAINT PAUL, MN 55102	PRESIDENT & DIRECTOR 0.00	0.00	0.00	0.00
EDWARD H. HAMM 408 ST. PETER ST. #434 SAINT PAUL, MN 55102	VICE PRES., TREA. & DIRECTOR 0.00	0.00	0.00	0.00
DEAN E. BUSCH 408 ST. PETER ST. #434 SAINT PAUL, MN 55102	SECRETARY & DIRECTOR 0.00	0.00	0.00	0.00

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services. 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 ▶		0

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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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 ▶	0.00

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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	7,049,358.44
b	Average of monthly cash balances	1b	615,073.71
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	7,664,432.15
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0.00		
2	Acquisition indebtedness applicable to line 1 assets	2	0.00
3	Subtract line 2 from line 1d	3	7,664,432.15
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	114,966.48
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	7,549,465.67
6	**Minimum investment return.** Enter 5% of line 5	6	377,473.28

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	377,473.28
2a	Tax on investment income for 2010 from Part VI, line 5	2a	5,496.99		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	5,496.99
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	371,976.29
4	Recoveries of amounts treated as qualifying distributions			4	0.00
5	Add lines 3 and 4			5	371,976.29
6	Deduction from distributable amount (see instructions)			6	0.00
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	371,976.29

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	366,294.08
b	Program-related investments - total from Part IX-B	1b	0.00
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	366,294.08
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	0.00
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	366,294.08

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 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				371,976.29
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.00	
b Total for prior years: ______ , ______ , ______		0.00		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008 8,265.83				
e From 2009				
f Total of lines 3a through e	8,265.83			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 366,294.08				
a Applied to 2009, but not more than line 2a			0.00	
b Applied to undistributed income of prior years (Election required - see instructions)		0.00		
c Treated as distributions out of corpus (Election required - see instructions)	0.00			
d Applied to 2010 distributable amount				366,294.08
e Remaining amount distributed out of corpus	0.00			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	5,682.21			5,682.21
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	2,583.62			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.00		
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		0.00		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.00		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.00	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.00
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.00			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.00			
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a	2,583.62			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008 2,583.62				
d Excess from 2009				
e Excess from 2010				

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 2010, 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) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
2 a 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 foundation had $5,000 or more in assets at any time during the year-see the instructions.)

1 **Information Regarding Foundation Managers:**

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

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 ▶ [X] 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:

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

c Any submission deadlines:

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

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 STATEMENT 8				
Total			▶ 3a	340,437.00
b Approved for future payment				
NONE				
Total			▶ 3b	0.00

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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	1,867.54	
4 Dividends and interest from securities			14	253,641.59	
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			18	19,340.56	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.00		274,849.69	0.00

13 **Total.** Add line 12, columns (b), (d), and (e) 13 274,849.69

(See worksheet in line 13 instructions 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).

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

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		

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

▶ [signature] | 5-9-2011 ▶ SECRETARY

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

023622
12-29-10

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
UBS FINANCIAL SERVICES - CERTIFICATE OF DEPOSIT	1,793.75
UBS FINANCIAL SERVICES - MONEY MARKET ACCOUNT	45.00
UBS FINANCIAL SERVICES - MONEY MARKET ACCOUNT	28.79
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	1,867.54

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SCHEDULE AVAILABLE	265,451.63	11,810.04	253,641.59
TOTAL TO FM 990-PF, PART I, LN 4	265,451.63	11,810.04	253,641.59

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING & TAX FEES	19,452.00	0.00		19,452.00
TO FORM 990-PF, PG 1, LN 16B	19,452.00	0.00		19,452.00

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAXES	5,496.99	0.00		0.00
FOREIGN TAXES ON DIVIDENDS	4,763.80	0.00		4,763.80
TO FORM 990-PF, PG 1, LN 18	10,260.79	0.00		4,763.80

FORM 990-PF	OTHER EXPENSES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FILING FEE	25.00	0.00		25.00
UBS FINANCIAL SERVICES - SERVICE FEES	1,359.54	0.00		1,359.54
UBS FINANCIAL SERVICES FEE	75.00	0.00		75.00
TO FORM 990-PF, PG 1, LN 23	1,459.54	0.00		1,459.54

FORM 990-PF	CORPORATE STOCK	STATEMENT 6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK-SCHEDULE ATTACHED	11,291,580.43	7,728,019.04
TOTAL TO FORM 990-PF, PART II, LINE 10B	11,291,580.43	7,728,019.04

FORM 990-PF LOANS PAYABLE TO OFFICER'S, DIRECTOR'S, ETC. STATEMENT 7

LENDER'S NAME AND TITLE

EDWARD H. HAMM, VICE PRES, TREA. & DIRECTOR

DATE OF NOTE	MATURITY DATE	INTEREST RATE	TERMS OF REPAYMENT
01/28/02		.00%	ON DEMAND

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
NONE	INCREASE FOUNDATION INCOME

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	ORIGINAL LOAN AMOUNT	BALANCE DUE
CASH	0.00	200,000.00	200,000.00

TOTAL TO FORM 990-PF, PART II, LINE 20, COLUMN B	200,000.00

FORM 990-PF | GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR | STATEMENT 8

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
HABITAT FOR HUMANITY OF MARTIN COUNTY 2555 SE BONITA STREET STUART, FL 34997	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	25,000.00
HAMM CLINIC 408 ST. PETER STREET, SUITE 429 ST PAUL, MN 55102	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	119437.00
J.A.Y. OUTREACH MINISTRIES 2831 AVENUE "S" RIVIERA BEACH, FL 33404	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	2,000.00
JUPITER HOSPITAL FOUNDATION 1210 S OLD DIXIE HWY JUPITER, FL 33458-9972	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	1,000.00
NATIONAL RIGHT TO WORK LEGAL DEFENSE FOUNDATION, INC. 8001 BRADDOCK ROAD, SUITE 600 SPRINGFIELD, VA 22160	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	25,000.00
NEW MOUNT ZION MISSIONARY BAPTIST CHURCH P O BOX 771, PETTWAY AVENUE HOBE SOUND, FL 33455	NONE GENERAL FUND-RELIGIOUS ACTIVITIES	PUBLIC	25,000.00
OGLALA LAKOTA COLLEGE 537 PIYA WICONI ROAD KYLE, SD 57752-0490	NONE GENERAL FUND-EDUCATIONAL PURPOSES	PUBLIC	25,000.00
PRISON FELLOWSHIP 44180 RIVERSIDE PARKWAY LANSDOWNE, VA 20176	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	25,000.00

PRO-CHOICE RESOURCES 250 3RD AVE. N. #625 MINNEAPOLIS, MN 55401	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	25,000.00
ST. ELIZABETH FOUNDATION 626 SHIELDS AVENUE WABASHA, MN 55981	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	1,000.00
ST. MARTIN'S CHURCH BY THE LAKE 2801 WESTWOOD ROAD MINNETONKA, MN 55361	NONE GENERAL FUND-RELIGIOUS ACTIVITIES	PUBLIC	2,000.00
YOUTH FORUM 3432 DENMARK AVENUE, PMB 204 EAGAN, MN 55123	NONE GENERAL FUND-COMMUNITY PROJECTS	PUBLIC	65,000.00
TOTAL TO FORM 990-PF, PART XV, LINE 3A			340,437.00

HERSEY FOUNDATION
Schedule of Securities
December 31, 2010

Ave. Cost per Share	CORPORATE STOCKS	Shares	Cost	Market Value December 31, 2010
18.59	Alcatel-Lucent Spon ADR	117	2,175.06	346.32
22.63	Allegheny Energy Inc	1,000	22,633.25	24,240.00
854.65	American International Group Inc.	316	270,069.67	18,207.92
42.31	AOL Inc.	589	24,920 82	13,965 19
24.10	Applied Materials Inc.	2,000	48,191.50	28,100.00
14.92	Ariba Inc.	2,033	30,329 27	47,755.17
48.00	BMC Software Inc.	1,000	48,004.50	47,140.00
52.75	BP PLC Spon ADR	1,000	52,753.55	44,170.00
26.74	Bank of America Corp.	10,000	267,367 45	133,400 00
14.02	Blackrock Real Asset Equity Trust	3,084	43,251 62	45,088 08
5 86	Blue Chip Value Fund	18,600	108,956.48	69,006 00
26.47	Bristol Myers Squibb Co	5,000	132,365 19	132,400 00
14.79	CMS Energy Corp.	2,600	38,447.28	48,360 00
19.63	CenterPoint Energy	2,400	47,115.19	37,728 00
69.76	Ciena Corp.	2,457	171,409.51	51,719.85
32.32	Cisco Systems Inc.	13,900	449,193.90	281,197.00
20.39	CitiGroup Inc.	3,200	65,245 09	15,136.00
56.04	Coca Cola Company	1,200	67,252.25	78,924.00
25.46	Comcast Corporation	1,551	39,487.37	34,075 47
21.77	Conagra Food Inc.	4,000	87,082.14	90,320 00
29.29	Cornerstone Strategic Value Fund Inc.	1,370	40,124.39	12,110.80
46.43	Covidien PLC	2,650	123,033.18	120,999 00
15.34	DWS High Income Trust	21,594	331,346 97	202,767 66
10.07	DWS Multi Market Inc.	1,000	10,074.49	9,910 00
10.11	Duke Energy Holding Corp.	1,000	10,111 72	17,810 00
30.43	EMC Corp Mass	18,600	566,028.48	425,940 00
10 84	El Paso Corp.	1,200	13,004.16	16,512.00
28 23	Enerplus Resources	200	5,645.79	6,168 00
13.28	Equus II Inc.	2,634	34,984 00	6,585 00
58 35	Fannie Mae	1,400	81,695.35	420 00
24.12	Fifth Third Bancorp	5,000	120,610 25	73,400 00
38.01	First Industrial Realty Trust	2,200	83,618.35	19,272 00
9 19	Frontier Communications	2,000	18,375 59	19,460.00
27.57	General Electric	26,400	727,802 15	482,856 00
26 50	General Growth Properties	1,221	32,361.78	18,901 08
9.37	Helois Total Return Fund	2,400	22,476 75	13,632.00
37.77	Home Depot Inc.	10,850	409,771.00	380,401.00
66 44	Howard Hughes Corp	120	7,972.75	6,530 40
42.44	India Fund Inc	1,000	42,444.55	35,110 00
22.66	Intel Corp.	5,800	131,444.75	121,974.00
35.83	Istar Financial Inc.	18,000	644,937 24	140,760 00
9.22	JDS Uniphase Corp.	1,025	9,454 00	14,842.00
47.18	Johnson & Johnson Company	1,176	55,485.32	72,735.60
58.14	Kinder Morgan	2,000	116,281 35	140,520.00
18.81	LSI Logic Corp.	88	1,655 59	527 12
38.02	Lilly Eli & Co.	8,000	304,139.55	280,320.00
12.50	Malaysia Fund Inc	2,600	32,508 05	29,250.00
41.68	Medtronic Inc.	3,500	145,895.94	129,815.00

HERSEY FOUNDATION
Schedule of Securities
December 31, 2010

Ave. Cost per Share	CORPORATE STOCKS	Shares	Cost	Market Value December 31, 2010
32.14	Merck & Co.	4,176	134,214 94	150,503.04
23.73	Microsoft Corp.	3,800	90,173 62	106,058.00
41.63	Moduslink Global Solutions Inc.	420	17,485.75	2,818.20
14.22	New York Community Bancorp	22,000	312,812.13	414,700.00
42 94	Nextra Energy Inc	3,800	163,170.45	197,562 00
198.60	Nortel Networks Corp.	120	23,832.50	1 56
22.80	NV Energy Inc.	1,000	22,803.80	14,050 00
22.67	Oracle Corp.	2,515	57,023.36	78,719 50
25.84	Pfizer Inc.	13,100	338,473.67	229,381 00
44.20	Pioneer Nat Res Co	1,000	44,195.25	86,820.00
35.95	Plum Creek Timber Co Inc	3,000	107,851 01	112,350 00
61.82	Procter & Gamble	1,000	61,823.65	64,330 00
34.97	Progress Energy	1,600	55,944.08	69,568 00
8.27	Prudential High Yield Fund Class A	4,061.807	33,588.46	22,380 56
38.62	Redwood Trust Inc.	25,400	980,959.89	379,222 00
16.02	Rock of Ages Corp. Dela	200	3,204.50	1,046.00
14.64	Service Corp International	2,000	29,277 15	16,500 00
69.33	Source Capital Inc.	1,000	69,331 25	53,130.00
14.58	Spectra Energy	500	7,289.28	12,495.00
8.63	Stewart Enterprises Inc.	6,000	51,759 00	40,140.00
65.45	Symantec	300	19,635.39	5,022.00
26.57	Sysco Corp	2,400	63,761.75	70,560 00
16.31	Telecom Corp. New Zealand	40,737	664,288.89	342,190.80
16.91	Thai Capital Fund Inc.	419	7,086.76	5,710 97
45.97	Thermo Fisher Scientific	3,000	137,916 90	166,080 00
251.63	Thornburg Mtge Inc	1,200	301,951.77	-
69.17	3M Company	3,400	235,173 25	293,420 00
76.97	Time Warner Cable Inc.	1,627	125,237 85	107,430 81
54.68	Time Warner Inc.	6,483	354,521.73	208,558.11
42.26	Tyco Electronics	2,650	111,996 02	93,810.00
57.06	Tyco International Ltd	2,650	151,204.85	109,816.00
719.41	Walter Inv Mgmt Corp (was Hanover Cap)	20	14,388 25	358.80
26.73	Washington Mutual	3,000	80,177 38	168.00
34.02	Waste Management Inc	2,000	68,043 25	73,740 00
51.14	Wells Fargo & Co.	3,597	183,964.13	111,471.03
13.74	Xcel Energy Inc.	2,000	27,483 94	47,100.00
			11,291,580.43	7,728,019 04

HERSEY FOUNDATION
Schedule D - Capital Gains and Losses
As of: December 31, 2010

Quantity	Asset	Date Acquired	Date Sold	Proceeds	Tax Basis	Gain/Loss
	Short-Term Capital Gains and Losses					
0 08	HOWARD HUGHES 1 28 10/THHC_SLD#1	Jan 28 10	Nov 16 10	3 22	1 73	1 49
89	INTERSTATE HOT 6 7 99/IHCO		Mar 22 10	200 25	580.43	-380.18
1,000	PROGRESS ENER 11 23 09/PGN	Nov 23 09	Oct 4 10	44,715 98	39,413 25	5,302.73
	Total Short-term			44,919.45	39,995.41	4,924.04
	Long-Term Capital Gains and Losses					
1,000	ADC TELECOM 11 13 09/ADCT	Nov 13 09	Dec 10 10	12,750.00	6,890 81	5,859.19
1,000	ADC TELECOM 2 12 07/ADCT	Feb 12 07	Dec 10 10	12,750.00	17,105.25	-4,355 25
57	ADC TELECOM 2 20 01/ADCT	Feb 20 01	Dec 10 10	726.75	5,042.12	-4,315.37
29	ADC TELECOM 2 21 01/ADCT	Feb 21 01	Dec 10 10	369.75	2,279.50	-1,909.75
29	ADC TELECOM 2 22 01/ADCT	Feb 22 01	Dec 10 10	369 75	2,167 00	-1,797.25
29	ADC TELECOM 4 9 01/ADCT	Apr 9 01	Dec 10 10	369.75	1,422 50	-1,052.75
57	ADC TELECOM. 2 15 01/ADCT	Feb 15 01	Dec 10 10	726 75	5,689.53	-4,962 78
29	ADC TELECOMM 5 29 01/ADCT	May 29 01	Dec 10 10	369 75	1,672.50	-1,302 75
28	ADC TELECOMM 7 25 01/ADCT	Jul 25 01	Dec 10 10	357.00	1,132.50	-775 50
28	ADC TELECOMM 7 26 01/ADCT	Jul 26 01	Dec 10 10	357.00	1,074 50	-717.50
28	ADC TELECOMM 7 27 01/ADCT	Jul 27 01	Dec 10 10	357.00	988.50	-631.50
0 01	ROYAL DUTCH 1 9 04/STLMT	Jan 9 04	May 3 10	50.00	0.00	50 00
0 01	TRAVELERS 10 29 90/STLMT	Oct 29 90	Jan 26 10	37.14	0.00	37.14
0.01	WILLIAMS COS 11 28 05/STTLMT	Nov 28 05	Feb 22 10	141 85	0 00	141 85
600	XCEL ENERGY 3 23 05/XEL	Mar 23 05	Apr 27 10	12,893 22	10,272 97	2,620.25
200	XCEL ENERGY 4 27 04/XEL	Apr 27 04	Apr 27 10	4,297.74	3,425.25	872.49
200	XCEL ENERGY 5 26 04/XEL	May 26 04	May 4 10	4,319 22	3,403.25	915 97
200	XCEL ENERGY 5 28 04/XEL	May 28 04	May 4 10	4,319.22	3,416 54	902 68
1,000	XCEL ENERGY 5 28 04/XEL_SLD#1	May 28 04	Apr 27 10	21,488 71	17,082 71	4,406.00
200	XCEL ENERGY 5 6 04/XEL	May 6 04	Jul 26 10	4,398.88	3,369.25	1,029.63
200	XCEL ENERGY 6 10 04/XEL	Jun 10 04	Jul 26 10	4,398.87	3,400 41	998.46
200	XCEL ENERGY 6 10 04/XEL_SLD#1	Jun 10 04	May 4 10	4,319.22	3,400.42	918.80
200	XCEL ENERGY 6 10 04/XEL_SLD#2	Jun 10 04	Jul 26 10	4,398.87	3,400 42	998 45
200	XCEL ENERGY 6 23 04/XEL	Jun 23 04	Apr 27 10	4,297.74	3,463 25	834.49
200	XCEL ENERGY 6 3 04/XEL	Jun 3 04	Jul 26 10	4,398.88	3,393 25	1,005 63
200	XCEL ENERGY 6 9 04/XEL	Jun 9 04	Jul 26 10	4,398.87	3,397 25	1,001 62
400	XCEL ENERGY 7 6 04/XEL	Jul 6 04	May 4 10	8,638.48	6,804.25	1,834.23
	Total Long-term			116,300.41	113,693 93	2,606.48
	TOTAL CAPITAL GAINS			161,219 86	153,689 34	7,530.52