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Return of Private Foundation

OMB No 1545-0052

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

2010

Department 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 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 CHARLES & MAXINE SKAGGS FOUNDATION		A Employer identification number 91-1645836
Number and street (or P O box number if mail is not delivered to street address) P. O. BOX 1269	Room/suite	B Telephone number (509) 623-2028
City or town, state, and ZIP code SPOKANE, WA 99201		C If exemption application is pending, check here <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		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 1,771,696. (Part I, column (d) must be on cash basis)	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (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)
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		36,338.	36,338.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		33,916.			
b Gross sales price for all assets on line 6a		363,603.			
7 Capital gain net income (from Part IV, line 2)			33,916.		
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		70,254.	70,254.		
13 Compensation of officers, directors, trustees, etc		18,000.	7,200.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees		950.	0.		0.
c Other professional fees					
17 Interest					
18 Taxes		396.	329.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses		26,998.	26,899.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		46,344.	34,428.		0.
25 Contributions, gifts, grants paid		74,750.			74,750.
26 Total expenses and disbursements. Add lines 24 and 25		121,094.	34,428.		74,750.
27 Subtract line 26 from line 12		<50,840.>			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			35,826.		
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			11,939.	13,072.	13,072.
	2 Savings and temporary cash investments			45,808.	21,754.	21,754.
	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 STMT 5			52,181.	52,181.	55,018.
	b Investments - corporate stock STMT 6			1,137,619.	890,925.	1,253,003.
	c Investments - corporate bonds STMT 7			195,923.	414,698.	428,849.
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)			1,443,470.	1,392,630.	1,771,696.	
Liabilities	17 Accounts payable and accrued expenses					
	18 Grants payable					
	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			41,000.	41,000.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds			1,402,470.	1,351,630.	
30 Total net assets or fund balances			1,443,470.	1,392,630.		
31 Total liabilities and net assets/fund balances			1,443,470.	1,392,630.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,443,470.
2 Enter amount from Part I, line 27a	2	<50,840.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,392,630.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,392,630.

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 SALES OF SECURITIES (SEE SCHEDULE)	P	VARIOUS	VARIOUS
b SALES OF SECURITIES (SEE SCHEDULE)	P	VARIOUS	VARIOUS
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 108.		113.	<5.>
b 358,084.		329,574.	28,510.
c 5,411.			5,411.
d			
e			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			<5.>
b			28,510.
c			5,411.
d			
e			

2 Capital gain net income or (net capital loss)	<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div> <div style="margin-left: 10px;"> 2 33,916. </div> </div>
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	<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;"> If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8 </div> <div style="margin-left: 10px;"> 3 N/A </div> </div>

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))
2009	87,933.	1,440,910.	.061026
2008	101,594.	1,817,511.	.055897
2007	99,000.	2,142,692.	.046204
2006	97,500.	2,048,043.	.047606
2005	87,003.	1,939,170.	.044866

2 Total of line 1, column (d)	2 .255599
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 .051120
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4 1,618,312.
5 Multiply line 4 by line 3	5 82,728.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6 358.
7 Add lines 5 and 6	7 83,086.
8 Enter qualifying distributions from Part XII, line 4 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	8 74,750.

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	717.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	717.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	717.
6 Credits/Payments			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
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		717.
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 <input type="checkbox"/> Refunded <input type="checkbox"/>	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?		X
1b 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
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input 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 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? N/A		
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 type="checkbox"/> WA		
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 2010 or the taxable year beginning in 2010 (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

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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 ► N/A	13	X	
14	The books are in care of ► NEIL S. MCKAY, TRUSTEE Telephone no. ► (509) 455-9555 Located at ► P. O. BOX 1269, SPOKANE, WA ZIP+4 ► 99210			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A			
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? 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 ►	16	Yes	No X

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 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	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 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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

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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

5bOrganizations 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**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?**6b**

X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ 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
NEIL S. MCKAY P. O. BOX 1269 SPOKANE, WA 99210	TRUSTEE 2.00	18,000.	0.	0.
CRAIG KORTHASE P.O. BOX 3588 SPOKANE, WA 99220	ADVISORY 0.00	0.	0.	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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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	1,634,326.
b	Average of monthly cash balances	1b	8,630.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,642,956.
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	1,642,956.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	24,644.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,618,312.
6	Minimum investment return. Enter 5% of line 5	6	80,916.

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	80,916.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	717.
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	717.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	80,199.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	80,199.
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	80,199.

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	74,750.
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	74,750.
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.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	74,750.

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

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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				80,199.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			71,963.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 74,750.				
a Applied to 2009, but not more than line 2a			71,963.	
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 2010 distributable amount				2,787.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (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:	0.			
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 2009. Subtract line 4a from line 2a. Taxable amount - see instr			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				77,412.
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 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
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			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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 ☒ 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

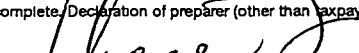
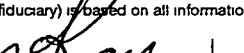
Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		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		

[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		

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 of officer or trustee		5/10/11 Date	
Paid Preparer Use Only	Print/Type preparer's name Chris D. Mikkelsen		Preparer's signature 	
	Date 5/3/11		Check <input type="checkbox"/> if self-employed	
	PTIN —		Firm's name ▶ MCDIRIMID, MIKKELSEN & SECREST, P.S. 926 W. SPRAGUE AVE, STE 300	
	Firm's address ▶ SPOKANE, WA 99201.4000		Firm's EIN ▶ Phone no 509.747.6154	

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
US BANK NATIONAL ASSOCIATION	41,749.	5,411.	36,338.
TOTAL TO FM 990-PF, PART I, LN 4	41,749.	5,411.	36,338.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	2
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	950.	0.		0.
TO FORM 990-PF, PG 1, LN 16B	950.	0.		0.

FORM 990-PF	TAXES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX WITHHELD ON DIVIDENDS	329.	329.		0.
TAX ON NET INVESTMENT INCOME (REFUND)	67.	0.		0.
TO FORM 990-PF, PG 1, LN 18	396.	329.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	26,899.	26,899.		0.
FILING FEES	25.	0.		0.
MISCELLANEOUS OFFICE SUPPLIES, ETC.	74.	0.		0.
TO FORM 990-PF, PG 1, LN 23	26,998.	26,899.		0.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	5
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT BONDS	X		52,181.	55,018.
TOTAL U.S. GOVERNMENT OBLIGATIONS			52,181.	55,018.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			52,181.	55,018.

FORM 990-PF	CORPORATE STOCK	STATEMENT	6
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCKS (SEE ATTACHED SCHEDULES)	890,925.	1,253,003.
TOTAL TO FORM 990-PF, PART II, LINE 10B	890,925.	1,253,003.

FORM 990-PF	CORPORATE BONDS	STATEMENT	7
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS (SEE ATTACHED SCHEDULE)	414,698.	428,849.
TOTAL TO FORM 990-PF, PART II, LINE 10C	414,698.	428,849.

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
ANNA OGDEN HALL (WOMEN AND CHILDRENS SHELTER) 2828 W. MALLON SPOKANE, WA 99201	N/A COMMUNITY SERVICE	PUBLIC	1,000.
MISSION AVIATION FELLOWSHIP P.O. BOX 47 NAMPA, ID 83653	N/A HAITI CRISIS RELIEF	PUBLIC	2,000.
INTERCOLLEGIATE COLLEGE OF NURSING 2917 E. FORT GEORGE WRIGHT DR. SPOKANE, WA 99224	N/A SCHOLARSHIP	PUBLIC	15,500.
NORTHWEST NAZARENE UNIVERSITY 623 HOLLY ST. NAMPA, ID 83686	N/A SCHOLARSHIP	N/A	26,750.
SALVATION ARMY 222 E. INDIANA AVE SPOKANE, WA 99207	N/A COMMUNITY SERVICES	PUBLIC	1,000.
SPOKANE VISITING NURSES ASSOCIATION PO BOX 3989 SPOKANE, WA 992203989	N/A NURSING/HOME CARE SERVICES	PUBLIC	1,000.
UNION GOSPEL MISSION 1224 E. TRENT AVE. SPOKANE, WA 99202	N/A HOMELESS FOOD/CLOTHING	PUBLIC	1,000.
WHITWORTH COLLEGE 300 W. HAWTHORNE RD SPOKANE, WA 99251	N/A SCHOLARSHIP	N/A	26,500.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			74,750.

ACCOUNT NUMBER: [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010

ASSET DETAIL

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
Cash & Equivalents					
Cash/Money Market					
21,753.610	First Amer Prime Oblig Fund CI Y	21,753.61 1.0000	21,753.61 1.00	0.00 0.00	1.2 0.00
Total Cash/Money Market		\$21,753.61	\$21,753.61	\$0.00 \$0.00	1.2
Cash					
	Principal Cash	- 4,320.82	- 4,320.82		- 0.2
	Income Cash	4,320.82	4,320.82		0.2
Total Cash		\$0.00	\$0.00	\$0.00 \$0.00	0.0
Total Cash & Equivalents		\$21,753.61	\$21,753.61	\$0.00 \$0.00	1.2
Taxable Bonds					
US Government Issues					
30,000.000	F H L M C M T N 5.125 07/15/2012	32,072.70 106.9090	31,887.89 106.29	184.81 1,537.50	1.8 4.79
20,000.000	Federal Home Loan Bks 5.375 05/18/2016	22,945.20 114.7260	20,293.76 101.47	2,651.44 1,075.00	1.3 4.68
Total US Government Issues		\$55,017.90	\$52,181.65	\$2,836.25 \$2,612.50	3.1
Corporate Issues					
30,000.000	Target Corp 6.350 01/15/2011	30,045.60 100.1520	33,028.20 110.09	- 2,982.60 1,905.00	1.7 6.34

ACCOUNT NUMBER [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010**ASSET DETAIL (continued)**

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
25,000.000	Verizon Pennsylvania 5.650 11/15/2011	26,012.00 104.0480	25,486.00 101.94	526.00 1,412.50	1.5 5.43
25,000.000	Goldman Sachs Group Inc Notes 5.250 04/01/2013	26,838.50 107.3540	24,840.00 99.36	1,998.50 1,312.50	1.5 4.89
35,000.000	Berkshire Hathaway Fin Corp Sr Nt 4.625 10/15/2013	38,007.55 108.5930	34,307.00 98.02	3,700.55 1,618.75	2.2 4.26
40,000.000	United Parcel Services 3.875 04/01/2014	42,616.80 106.5420	42,576.00 106.44	40.80 1,550.00	2.4 3.64
25,000.000	J P Morgan Chase 5.150 10/01/2015	26,440.50 105.7620	24,476.00 97.90	1,964.50 1,287.50	1.5 4.87
30,000.000	Cisco Sys Inc 5.500 02/22/2016	34,233.30 114.1110	29,386.20 97.95	4,847.10 1,650.00	1.9 4.82
40,000.000	John Deere Capital Corp Medium Term Note 2.800 09/18/2017	38,840.80 97.1020	39,085.20 97.71	- 244.40 1,120.00	2.2 2.88
45,000.000	Wal Mart Stores Inc 3.250 10/25/2020	42,293.25 93.9850	41,921.10 93.16	372.15 1,462.50	2.4 3.46
25,000.000	First Union Corp 7.574 08/01/2026	28,557.50 114.2300	24,399.50 97.60	4,158.00 1,893.50	1.6 6.63
Total Corporate Issues		\$333,885.80	\$319,505.20	\$14,380.60 \$15,212.25	19.0
Foreign Issues					
45,000.000	Westpac Banking Corp 4.875 11/19/2019	47,286.45 105.0810	46,392.75 103.10	893.70 2,193.75	2.7 4.64
Total Foreign Issues		\$47,286.45	\$46,392.75	\$893.70 \$2,193.75	2.7

ACCOUNT NUMBER
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010**ASSET DETAIL (continued)**

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
Fixed Income Funds					
5,104.603	Credit Suisse Commod Ret Strat Com CRSOX	47,676.99 9.3400	48,800.00 9.56	- 1,123.01 3,404.77	2.7 7.14
Total Fixed Income Funds		\$47,676.99	\$48,800.00	- \$1,123.01 \$3,404.77	2.7
Total Taxable Bonds		\$483,867.14	\$466,879.60	\$16,987.54 \$23,423.27	27.5

Stocks**Common Stocks**

169.000	Abbott Laboratories ABT	8,096.79 47.9100	7,285.34 43.11	811.45 297.44	0.5 3.67
107.000	Air Prods Chemicals Inc APD	9,731.65 90.9500	7,206.45 67.35	2,525.20 209.72	0.6 2.15
82.000	Alaska Communications System Group ALSK	910.20 11.1000	1,094.41 13.35	- 184.21 70.52	0.1 7.75
246.000	American Equity Invst Life HI AEL	3,087.30 12.5500	2,179.56 8.86	907.74 24.60	0.2 0.80
52.000	Amgen Inc AMGN	2,854.80 54.9000	2,669.75 51.34	185.05 0.00	0.2 0.00
154.000	Anadarko Petroleum Corp APC	11,728.64 76.1600	7,375.97 47.90	4,352.67 55.44	0.7 0.47
31.000	Anixter Intl Inc AXE	1,851.63 59.7300	1,608.90 51.90	242.73 0.00	0.1 0.00
45.000	Apache Corp APA	5,365.35 119.2300	2,925.45 65.01	2,439.90 27.00	0.3 0.50

ACCOUNT NUMBER [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010

ASSET DETAIL (continued)

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
27.000	Apple Inc AAPL	8,709.12 322.5600	4,733.37 175.31	3,975.75 0.00	0.5 0.00
11.000	Ashland Inc ASH	559.46 50.8600	193.71 17.61	365.75 6.60	0.0 1.18
19.000	Avalonbay Cmnty Inc AVB	2,138.45 112.5500	1,686.20 88.75	452.25 67.83	0.1 3.17
27.000	Azz Incorporated AZZ	1,080.27 40.0100	765.15 28.34	315.12 27.00	0.1 2.50
617.000	Bank Of America Corp BAC	8,230.78 13.3400	7,829.73 12.69	401.05 24.68	0.5 0.30
174.000	Bank Of The Ozarks Inc OZBK	7,542.90 43.3500	3,566.42 20.50	3,976.48 111.36	0.4 1.48
97.000	Bard C R Inc BCR	8,901.69 91.7700	6,988.27 72.04	1,913.42 69.84	0.5 0.78
99.000	Berkshire Hathaway Inc Cl B BRKB	7,930.89 80.1100	5,808.29 58.67	2,122.60 0.00	0.5 0.00
151.000	Boston Ppty Inc BXP	13,001.10 86.1000	7,209.77 47.75	5,791.33 302.00	0.7 2.32
54.000	Cameron Intl Corp CAM	2,739.42 50.7300	2,404.69 44.53	334.73 0.00	0.2 0.00
206.000	Capital One Financial Corp COF	8,767.36 42.5600	3,990.03 19.37	4,777.33 41.20	0.5 0.47
113.000	Caseys Gen Stores Inc CASY	4,803.63 42.5100	2,472.15 21.88	2,331.48 61.02	0.3 1.27

ACCOUNT NUMBER: [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010

ASSET DETAIL (continued)

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
31.000	Cato Corp Cl A CATO	849.71 27.4100	678.43 21.89	171.28 22.94	0.0 2.70
133.000	Cerner Corporation CERN	12,600.42 94.7400	7,347.27 55.24	5,253.15 0.00	0.7 0.00
99.000	Chemed Corp CHE	6,287.49 63.5100	3,651.08 36.88	2,636.41 55.44	0.4 0.88
124.000	Chevron Corporation CVX	11,315.00 91.2500	8,365.95 67.47	2,949.05 357.12	0.6 3.16
156.000	Cleco Corporation CNL	4,798.56 30.7600	3,792.31 24.31	1,006.25 156.00	0.3 3.25
130.000	Clorox Co CLX	8,226.40 63.2800	7,055.88 54.28	1,170.52 286.00	0.5 3.48
171.000	Cognizant Tech Solutions Cl A CTSH	12,532.59 73.2900	4,437.43 25.95	8,095.16 0.00	0.7 0.00
196.000	Comcast Corp Cl A CMCSA	4,306.12 21.9700	3,784.54 19.36	511.58 74.09	0.2 1.72
120.000	Conocophillips COP	8,172.00 68.1000	7,748.40 64.57	423.60 264.00	0.5 3.23
137.000	Cooper Tire & Rubr Co CTB	3,230.46 23.5800	1,028.86 7.51	2,201.60 57.54	0.2 1.78
40.000	Core Mark Hldg Co Inc CORE	1,423.60 35.5900	996.73 24.92	426.87 0.00	0.1 0.00
238.000	Danaher Corp DHR	11,226.46 47.1700	7,249.48 30.46	3,976.98 19.04	0.6 0.17

ACCOUNT NUMBER [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010**ASSET DETAIL (continued)**

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
76.000	Deere & Co DE	6,311.80 83.0500	3,472.06 45.69	2,839.74 106.40	0.4 1.69
47.000	Deltic Timber Corp DEL	2,647.98 56.3400	2,340.13 49.79	307.85 14.10	0.2 0.53
135.000	Diodes Incorporated DIOD	3,643.65 26.9900	3,301.44 24.46	342.21 0.00	0.2 0.00
285.000	Directv Cl A DTV	11,380.05 39.9300	6,745.95 23.67	4,634.10 0.00	0.6 0.00
199.000	Ecolab Inc ECL	10,033.58 50.4200	9,233.72 46.40	799.86 139.30	0.6 1.39
508.000	El Paso Elec Co EE	13,985.24 27.5300	7,035.88 13.85	6,949.36 0.00	0.8 0.00
195.000	Emerson Elec Co EMR	11,148.15 57.1700	9,252.75 47.45	1,895.40 269.10	0.6 2.41
248.000	Express Scripts Inc ESRX	13,404.40 54.0500	9,180.96 37.02	4,223.44 0.00	0.8 0.00
46.000	Exxon Mobil Corp XOM	3,363.52 73.1200	2,352.84 51.15	1,010.68 80.96	0.2 2.41
101.000	Flowserve Corp FLS	12,041.22 119.2200	7,145.35 70.75	4,895.87 117.16	0.7 0.97
46.000	Frontier Communications Corp FTR	447.58 9.7300	434.42 9.44	13.16 34.50	0.0 7.71
56.000	Goldman Sachs Group Inc GS	9,416.96 168.1600	7,288.35 130.15	2,128.61 78.40	0.5 0.83

ACCOUNT NUMBER [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010

ASSET DETAIL (continued)

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
20.000	Google Inc Cl A GOOG	11,879.40 593.9700	9,440.00 472.00	2,439.40 0.00	0.7 0.00
51.000	Hess Corp HES	3,903.54 76.5400	2,968.81 58.21	934.73 20.40	0.2 0.52
172.000	Hewlett Packard Co HPQ	7,241.20 42.1000	7,251.52 42.16	- 10.32 55.04	0.4 0.76
69.000	International Business Machines Corp IBM	10,126.44 146.7600	7,091.23 102.77	3,035.21 179.40	0.6 1.77
216.000	J P Morgan Chase Co JPM	9,162.72 42.4200	7,404.48 34.28	1,758.24 43.20	0.5 0.47
132.000	Kennametal Inc KMT	5,208.72 39.4600	3,779.82 28.64	1,428.90 63.36	0.3 1.22
168.000	McDonalds Corp MCD	12,895.68 76.7600	8,611.35 51.26	4,284.33 409.92	0.7 3.18
138.000	Mentor Graphics Corp MENT	1,656.00 12.0000	1,347.67 9.77	308.33 0.00	0.1 0.00
36.000	Meredith Corp MDP	1,247.40 34.6500	979.90 27.22	267.50 33.12	0.1 2.65
325.000	Microsoft Corp MSFT	9,070.75 27.9100	9,089.44 27.97	- 18.69 208.00	0.5 2.29
22.000	Middleby Corp MIDD	1,857.24 84.4200	1,383.56 62.89	473.68 0.00	0.1 0.00
177.000	Nike Inc NKE	15,119.34 85.4200	9,504.85 53.70	5,614.49 219.48	0.9 1.45

ACCOUNT NUMBER [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010**ASSET DETAIL (continued)**

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
108.000	Northwestern Corp NWE	3,113.64 28.8300	2,973.93 27.54	139.71 146.88	0.2 4.72
104.000	Occidental Petroleum Corporation OXY	10,202.40 98.1000	4,581.20 44.05	5,621.20 158.08	0.6 1.55
163.000	Old Dominion Fght Line Inc ODFL	5,214.37 31.9900	2,891.41 17.74	2,322.96 0.00	0.3 0.00
186.000	Parametric Technology Corp PMTG	4,190.58 22.5300	3,333.12 17.92	857.46 0.00	0.2 0.00
516.000	Pfizer Inc PFE	9,035.16 17.5100	7,228.12 14.01	1,807.04 412.80	0.5 4.57
20.000	Priceline Com Inc PCLN	7,991.00 399.5500	1,976.70 98.84	6,014.30 0.00	0.5 0.00
178.000	Progress Software Corp PRGS	7,547.20 42.4000	4,914.49 27.61	2,632.71 0.00	0.4 0.00
163.000	Red Hat Inc RHT	7,440.95 45.6500	2,903.50 17.81	4,537.45 0.00	0.4 0.00
64.000	RIL Corp RLI	3,364.48 52.5700	3,470.08 54.22	- 105.60 74.24	0.2 2.21
479.000	Selective Ins Group Inc SIGI	8,693.85 18.1500	7,081.54 14.78	1,612.31 249.08	0.5 2.86
141.000	Signature Bk SBNY	7,058.46 50.0600	4,233.13 30.02	2,825.33 0.00	0.4 0.00
1.000	Simon Property Group Inc SPG	99.49 99.4900	33.93 33.93	65.56 3.20	0.0 3.22

ACCOUNT NUMBER: [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010

ASSET DETAIL (continued)

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
368.000	Texas Instruments Inc TXN	11,960.00 32.5000	9,103.18 24.74	2,856.82 191.36	0.7 1.60
192.000	Thermo Fisher Scientific Inc TMO	10,629.12 55.3600	7,140.78 37.19	3,488.34 0.00	0.6 0.00
52.000	Travelers Cos Inc TRV	2,896.92 55.7100	2,486.51 47.82	410.41 74.88	0.2 2.58
148.000	Treehouse Foods Inc THS	7,561.32 51.0900	3,700.71 25.01	3,860.61 0.00	0.4 0.00
294.000	United Bankshares Inc W Va UBSI	8,584.80 29.2000	7,379.39 25.10	1,205.41 352.80	0.5 4.11
147.000	United States Steel Corp X	8,587.74 58.4200	7,905.66 53.78	682.08 29.40	0.5 0.34
31.000	United Stationers Inc USTR	1,978.11 63.8100	1,239.66 39.99	738.45 0.00	0.1 0.00
103.000	United Technologies Corp UTX	8,108.16 78.7200	6,412.38 62.26	1,695.78 175.10	0.5 2.16
195.000	Verizon Communications Inc VZ	6,977.10 35.7800	6,745.37 34.59	231.73 380.25	0.4 5.45
46.000	Wabtec Corp WAB	2,432.94 52.8900	1,332.16 28.96	1,100.78 1.84	0.1 0.08
40.000	Waddell & Reed Financial Inc WDR	1,411.60 35.2900	973.60 24.34	438.00 32.00	0.1 2.27
79.000	Wal Mart Stores Inc WMT	4,260.47 53.9300	3,659.83 46.33	600.64 95.59	0.2 2.24

ACCOUNT NUMBER [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010**ASSET DETAIL (continued)**

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
206.000	Wells Fargo Co WFC	6,383.94 30.9900	6,932.99 33.66	- 549.05 41.20	0.4 0.64
64.000	World Accep Corp WRLD	3,379.20 52.8000	1,928.04 30.13	1,451.16 0.00	0.2 0.00
343.000	Xilinx Inc XLNX	9,940.14 28.9800	7,246.98 21.13	2,693.16 219.52	0.6 2.21
Total Common Stocks		\$559,236.84	\$392,584.84	\$166,651.10 \$7,398.48	31.8

Foreign Stocks

1,381.000	Aegon N V Ny Reg Shr Repstg 1 Dutch Shr AEG	8,465.53 6.1300	7,954.56 5.76	510.97 0.00	0.5 0.00
51.000	Argo Group Intl Hldgs Ltd AGII	1,909.95 37.4500	1,917.59 37.60	- 7.64 24.48	0.1 1.28
199.000	Astrazeneca P L C Spnd A D R Repstg 1 Ord Sh AZN	9,191.81 46.1900	7,179.12 36.08	2,012.69 479.59	0.5 5.22
127.000	B H P Billiton Limited A D R Repstg 2 Ord Shs BIIP	11,800.84 92.9200	9,085.18 71.54	2,715.66 220.98	0.7 1.87
8.000	Banco Santander Cent Hispano A D R Repstg 1 Ord Sh STD	85.20 10.6500	126.64 15.83	- 41.44 5.15	0.0 6.04
605.000	Companhia De Bebidas P R A D R Repstg 20 Pfd Shs ABV	18,773.15 31.0300	7,161.50 11.84	11,611.65 438.02	1.1 2.33
144.000	Diageo Plc Sponsored A D R Repstg 4 Ord Shs DEO	10,703.52 74.3300	7,115.48 49.41	3,588.04 340.42	0.6 3.18
349.000	Erste Group Bank Ag A D R Repstg 1/2 Ord Shr EBKDY	8,295.73 23.7700	7,795.64 22.34	500.09 99.12	0.5 1.19

ACCOUNT NUMBER [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010

ASSET DETAIL (continued)

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
229.000	Glaxo Smithkline P L C A D R Repstg 2 Ord Shs GSK	8,981.38 39.2200	7,096.14 30.99	1,885.24 457.77	0.5 5.10
1,184.000	Hongkong Elec Hldgs Ltd Sponsored Adr HGKGY	7,400.00 6.2500	7,009.28 5.92	390.72 278.24	0.4 3.76
164.000	National Grid Plc Sp A D R Repstg 5 Ord Shs NGG	7,278.32 44.3800	7,119.24 43.41	159.08 458.87	0.4 6.30
185.000	Nestle Sa Sponsored A D R Repstg 1 Ord Sh NSRGY	10,881.70 58.8200	6,673.80 36.08	4,207.90 165.95	0.6 1.52
187.000	Sap Ag A D R Repstg 1 Ord Shr SAP	9,464.07 50.6100	7,326.09 39.18	2,137.98 78.54	0.5 0.83
139.000	Schlumberger Ltd SLB	11,606.50 83.5000	7,486.54 53.86	4,119.96 116.76	0.7 1.01
269.000	Tokio Marine Holdings A D R TKOMY	7,962.40 29.6000	7,263.00 27.00	699.40 135.31	0.5 1.70
354.000	Unilever Plc Spnd Adr UL	10,931.52 30.8800	7,327.09 20.70	3,604.43 394.71	0.6 3.61
Total Foreign Stocks		\$143,731.62	\$105,636.89	\$38,094.73 \$3,693.81	8.2

Equity Funds

2,827.298	American Cent Equity Income CI Inst ACIIX	20,384.82 7.2100	20,300.00 7.18	84.82 627.66	1.2 3.08
7,619.203	American Centy Small Cp Growth Instl ANONX	63,772.73 8.3700	39,391.28 5.17	24,381.45 0.00	3.6 0.00
77.647	Fidelity Adv Diversified Intl CI A FDVAX	1,245.46 16.0400	834.98 10.75	410.48 15.45	0.1 1.24

ACCOUNT NUMBER: [REDACTED]
NEILS MCKAY TRUSTEE CHARLES &
MAXINE SKAGGS FOUNDATIONThis statement is for the period from
January 1, 2010 to December 31, 2010**ASSET DETAIL (continued)**

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	Unrealized Gain(Loss)/ Est Annual Inc	% of Total/ Estimated Curr Yield
.215	First American Mid Cap Value Fund CI Y FSEIX	5.13 23.8800	3.26 15.16	1.87 0.07	0.0 1.36
3,737.514	First American Real Estate Securities Fund CI Y FARCX	67,905.30 18.1900	58,846.59 15.75	9,138.79 1,618.34	3.0 2.38
689.000	Ipath Dow Jones Ubs Commodity DJP	33,843.68 49.1200	32,017.83 46.47	1,825.85 0.00	1.9 0.00
4,326.726	Price T Rowe Growth Stk Fd Inc #40 PRGFX	139,104.24 32.1500	93,803.42 21.68	45,300.82 73.55	7.9 0.05
2,013.553	Rowe T Price Mid-Cap Growth Fd #64 RPMGX	117,853.26 58.5300	75,669.31 37.58	42,183.95 0.00	6.7 0.00
4,431.342	Rowe T Price Mid-Cap Value Fd Inc TRMCX	105,067.12 23.7100	71,388.92 16.11	33,678.20 1,816.85	6.0 1.73
24.241	T Rowe Price Growth Stk CI Adv TRSAX	773.29 31.9000	447.98 18.48	325.31 0.00	0.0 0.00
Total Equity Funds		\$550,035.11	\$392,703.57	\$157,331.54 \$4,151.92	31.3
Total Stocks		\$1,253,002.67	\$890,925.30	\$362,077.37 \$15,244.31	71.2
Total Assets		\$1,758,623.42	\$1,379,558.51	\$379,064.91 \$38,667.58	100.0
Estimated Current Yield					2.19

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Totals

SKAGGS FOUNDATION AGENCY
Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
15% RATE CAPITAL GAINS (LOSSES)					
AOL TIME WARNER INC					
205. ATT INC	01/09/2007	01/20/2010	34.92		34.92
89. ABBOTT LABORATORIES COMMON STOCK		12/10/2010	5,901.85	6,963.85	-1,062.00
141. AMGEN INC COMMON STOCK	01/09/2007	12/10/2010	4,216.76	4,480.26	-263.50
25. APPLE COMPUTER INC	08/28/2008	12/10/2010	7,544.78	9,037.83	-1,493.05
55. AVIAT NETWORKS INC	08/28/2008	12/10/2010	8,021.61	4,382.75	3,638.86
.8077 BANCO SANTANDER CENT	05/27/2009	12/10/2010	288.19	293.70	-5.51
756.1923 BANCO SANTANDER CENT	11/06/2009	11/19/2010	9.42	13.36	-3.94
.3087 BERKSHIRE HATHAWAY INC	05/04/2009	12/10/2010	8,302.85	7,152.65	1,150.20
CL B					
93. BEST BUY INC	01/09/2007	02/18/2010	22.94	18.11	4.83
66. BLACK HILLS CORP	05/15/2008	12/10/2010	3,864.08	3,919.91	-55.83
80. BURLINGTON NORTHN SANTA FE CORP	01/09/2007	12/10/2010	2,028.14	2,442.66	-414.52
70. CVS CAREMARK CORP	01/09/2007	02/16/2010	620.08		620.08
198. CAPITAL ONE FINANCIAL CORP	02/14/2008	12/10/2010	2,347.06	2,743.36	-396.30
54. CASEYS GEN STORES INC	05/04/2009	12/10/2010	8,363.37	3,835.08	4,528.29
367. CISCO SYS INC	06/17/2008	12/10/2010	2,247.98	1,301.95	946.03
110. COGNIZANT TECH SOLUTIONS	08/28/2008	12/10/2010	7,193.07	9,107.62	-1,914.55
28. DELTIC TIMBER CORP	05/04/2009	12/10/2010	7,773.56	2,854.49	4,919.07
94. DIAMOND OFFSHORE DRILLING	01/08/2008	12/10/2010	1,555.09	1,440.45	114.64
44. DIODES INC	05/04/2009	12/10/2010	6,114.59	7,377.12	-1,262.53
347. EMULEX CORP	08/23/2007	12/10/2010	1,217.01	1,259.28	-42.27
. ENRON CORP	05/30/2008	12/10/2010	4,191.68	6,462.88	-2,271.20
.137 EXXON MOBIL CORP		01/06/2010	231.53		231.53
64. EXXON MOBIL CORP	07/10/2008	06/30/2010	7.90	11.62	-3.72
218. FAMILY DOLLAR STORES	07/10/2008	12/10/2010	4,594.38	5,423.99	-829.61
913.591 NUVEEN REAL ESTATE SECS FD CL Y	05/04/2009	12/10/2010	10,878.01	7,108.98	3,769.03
166. FIRST ENERGY CORP	08/28/2008	12/10/2010	16,161.42	16,791.83	-630.41
	05/04/2009	12/10/2010	5,907.84	6,995.23	-1,087.39
Totals					

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SKAGGS FOUNDATION AGENCY
Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
.8077 FRONTIER COMMUNICATION S CORP	01/09/2007	07/08/2010	6.01	7.63	-1.62
239. GAMESTOP CORP CL A	05/04/2009	12/10/2010	5,257.91	7,110.24	-1,852.33
6. GOLDMAN SACHS GROUP INC	02/14/2008	12/10/2010	1,008.28	1,068.84	-60.56
225. HARRIS CORP DEL	05/04/2009	12/10/2010	10,334.07	7,195.50	3,138.57
33. HEWLETT PACKARD CO	02/14/2008	12/10/2010	1,394.89	1,429.02	-34.13
382. INTEL CORP	08/28/2008	12/10/2010	8,354.20	9,014.25	-660.05
41. J P MORGAN CHASE & CO	11/06/2007	12/10/2010	1,690.46	1,797.72	-107.26
124. JACK IN THE BOX INC	05/30/2008	12/10/2010	2,602.71	3,050.39	-447.68
95. JOHNSON & JOHNSON	02/21/2008	12/10/2010	5,879.45	5,985.37	-105.92
66. KINDRED HEALTHCARE INC	11/20/2007	12/10/2010	1,112.74	1,643.06	-530.32
227. KROGER CO	03/18/2008	12/10/2010	4,669.31	6,037.69	-1,368.38
54. LOCKHEED MARTIN CORP	07/24/2007	12/10/2010	3,700.00	5,323.60	-1,623.60
41. METLIFE INC	03/07/2008	12/10/2010	1,792.49	2,328.42	-535.93
77. MONSANTO CO	08/28/2008	12/10/2010	4,696.15	8,951.19	-4,255.04
120. NATIONAL-OILWELL INC	03/18/2008	12/10/2010	7,528.67	7,498.42	30.25
NORTEL NETWORKS CORP		03/11/2010	19.41		19.41
149. NORTHERN TRUST CORPORATION COMMON STOCK	05/04/2009	12/10/2010	8,020.53	8,090.83	-70.30
.5 OLD DOMINION FGHT LINE	06/27/2007	08/30/2010	12.12	10.03	2.09
128. P N C FINANCIAL SERVICES	08/28/2008	12/10/2010	7,816.83	9,116.08	-1,299.25
85. PAPA JOHNS INTL INC	11/20/2007	12/10/2010	2,220.16	1,972.33	247.83
51. PENNEY J C COMPANY INC	01/04/2008	12/10/2010	1,734.48	1,884.06	-149.58
130. PEPSCO INC COMMON STOCK	08/28/2008	12/10/2010	8,423.85	8,981.95	-558.10
83. PHILIP MORRIS INTL	01/09/2007	12/10/2010	4,911.02	3,814.58	1,096.44
99. PRAXAIR INC	08/28/2008	12/10/2010	9,258.32	9,037.53	220.79
53. PRICELINE COM INC	05/04/2009	12/10/2010	22,411.20	5,238.25	17,172.95
128. PROCTER & GAMBLE CO	08/28/2008	12/10/2010	8,103.53	9,099.52	-995.99
163. PUBLIC SVC ENTERPRISE GROUP INC	06/03/2008	12/10/2010	5,065.95	7,074.90	-2,008.95
166. QUALCOMM INC	08/28/2008	12/10/2010	8,190.30	9,006.27	-815.97
246. RED HAT INC	05/04/2009	12/10/2010	11,796.90	4,381.98	7,414.92
309. RED ROBIN GOURMET BURGERS	05/04/2009	12/10/2010	6,158.26	7,261.68	-1,103.42
339. SMITH A O CORP	05/04/2009	12/10/2010	14,563.19	7,149.74	7,413.45
229. SOUTHWESTERN ENERGY CO	08/28/2008	12/10/2010	8,143.10	8,898.91	-755.81
Totals					

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