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

OMB No 1545 0052

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 , 2010, and ending

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

THE EMELCO FOUNDATION  
101 W PRAIRIE SHOPPING CTR BOX 354  
HAYDEN, ID 83835

A Employer identification number

95-3863839

B Telephone number (see the instructions)

425-485-0745

C If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ☐ Accounting method ☒ Cash ☐ Accrual  
☐ Other (specify) \_\_\_\_\_

▶ \$ 4,509,820.

(Part I, column (d) must be on cash basis)

## Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions))

(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 (att sch)

2 Ck ☒ if the foundn is not req to att Sch B

3 Interest on savings and temporary cash investments

57,867.

57,867.

57,867.

4 Dividends and interest from securities

71,690.

71,690.

71,690.

5a Gross rents

b Net rental income or (loss)

6a Net gain/(loss) from sale of assets not on line 10

17,756.

b Gross sales price for all assets on line 6a 1,031,274.

7 Capital gain net income (from Part IV, line 2)

17,756.

8 Net short-term capital gain

17,874.

9 Income modifications

10a Gross sales less returns and allowances

b Less Cost of goods sold

c Gross profit/(loss) (att sch)

11 Other income (attach schedule)

SEE STATEMENT 1

601.

601.

601.

12 Total. Add lines 1 through 11

147,914.

147,914.

148,032.

13 Compensation of officers, directors, trustees, etc

6,968.

6,968.

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees (attach schedule)

b Accounting fees (attach sch) SEE ST 2

2,920.

2,920.

c Other prof fees (attach sch)

17 Interest

3,511.

18 Taxes (attach schedule)(see instr) SEE STM 3

1,455.

19 Depreciation (attach sch) and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses (attach schedule)

SEE STATEMENT 4

10,456.

10,456.

24 Total operating and administrative expenses. Add lines 13 through 23

25,310.

4,906.

20,404.

25 Contributions, gifts, grants paid PART XV

190,000.

190,000.

26 Total expenses and disbursements. Add lines 24 and 25

215,310.

4,906.

0.

210,404.

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

-67,396.

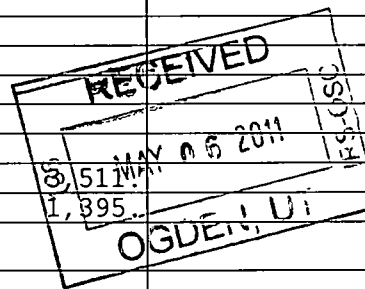
b Net investment income (if negative, enter 0)

143,008.

c Adjusted net income (if negative, enter 0)

148,032.

SCANNED MAY 12 2011

REVENUE  
ADMINISTRATIVE  
OPERATING  
AND  
EXPENSES

15

**Part II Balance Sheets**

Attached schedules and amounts in the description column should be for end of year amounts only (See instructions.)

Beginning of year

End of year

(a) Book Value

(b) Book Value

(c) Fair Market Value

ASSETS

|     |                                                                                                                             |            |            |            |
|-----|-----------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|
| 1   | Cash — non-interest-bearing                                                                                                 |            |            |            |
| 2   | Savings and temporary cash investments                                                                                      | 38,463.    | 184,559.   | 184,559.   |
| 3   | Accounts receivable                                                                                                         |            |            |            |
|     | Less: allowance for doubtful accounts                                                                                       |            |            |            |
| 4   | Pledges receivable                                                                                                          |            |            |            |
|     | Less: allowance for doubtful accounts                                                                                       |            |            |            |
| 5   | Grants receivable                                                                                                           |            |            |            |
| 6   | Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions) |            |            |            |
| 7   | Other notes and loans receivable (attach sch.)                                                                              |            |            |            |
|     | Less: allowance for doubtful accounts                                                                                       |            |            |            |
| 8   | Inventories for sale or use                                                                                                 |            |            |            |
| 9   | Prepaid expenses and deferred charges                                                                                       |            |            |            |
| 10a | Investments — U.S. and state government obligations (attach schedule) <b>STATEMENT 5</b>                                    | 50,076.    | 35,053.    | 35,490.    |
| b   | Investments — corporate stock (attach schedule) <b>STATEMENT 6</b>                                                          | 2,729,919. | 2,481,281. | 3,371,084. |
| c   | Investments — corporate bonds (attach schedule) <b>STATEMENT 7</b>                                                          | 837,848.   | 888,017.   | 918,687.   |
| 11  | Investments — land, buildings, and equipment: basis                                                                         |            |            |            |
|     | Less: accumulated depreciation (attach schedule)                                                                            |            |            |            |
| 12  | Investments — mortgage loans                                                                                                |            |            |            |
| 13  | Investments — other (attach schedule)                                                                                       |            |            |            |
| 14  | Land, buildings, and equipment: basis                                                                                       |            |            |            |
|     | Less: accumulated depreciation (attach schedule)                                                                            |            |            |            |
| 15  | Other assets (describe )                                                                                                    |            |            |            |
| 16  | <b>Total assets</b> (to be completed by all filers — see instructions. Also, see page 1, item I)                            | 3,656,306. | 3,588,910. | 4,509,820. |

LIABILITIES

|    |                                                                        |    |    |  |
|----|------------------------------------------------------------------------|----|----|--|
| 17 | Accounts payable and accrued expenses                                  |    |    |  |
| 18 | Grants payable                                                         |    |    |  |
| 19 | Deferred revenue                                                       |    |    |  |
| 20 | Loans from officers, directors, trustees, & other disqualified persons |    |    |  |
| 21 | Mortgages and other notes payable (attach schedule)                    |    |    |  |
| 22 | Other liabilities (describe )                                          |    |    |  |
| 23 | <b>Total liabilities</b> (add lines 17 through 22)                     | 0. | 0. |  |

NET ASSETS OR FUND BALANCES

|    |                                                                                                           |                                     |            |            |
|----|-----------------------------------------------------------------------------------------------------------|-------------------------------------|------------|------------|
|    | <b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> | <input type="checkbox"/>            |            |            |
| 24 | Unrestricted                                                                                              |                                     |            |            |
| 25 | Temporarily restricted                                                                                    |                                     |            |            |
| 26 | Permanently restricted                                                                                    |                                     |            |            |
|    | <b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b>              | <input checked="" type="checkbox"/> |            |            |
| 27 | Capital stock, trust principal, or current funds                                                          |                                     | 391,630.   | 391,630.   |
| 28 | Paid-in or capital surplus, or land, building, and equipment fund                                         |                                     |            |            |
| 29 | Retained earnings, accumulated income, endowment, or other funds                                          |                                     | 3,264,676. | 3,197,280. |
| 30 | <b>Total net assets or fund balances</b> (see the instructions)                                           |                                     | 3,656,306. | 3,588,910. |
| 31 | <b>Total liabilities and net assets/fund balances</b> (see the instructions)                              |                                     | 3,656,306. | 3,588,910. |

**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 | 3,656,306. |
| 2 | Enter amount from Part I, line 27a                                                                                                                         | 2 | -67,396.   |
| 3 | Other increases not included in line 2 (itemize)                                                                                                           | 3 |            |
| 4 | Add lines 1, 2, and 3                                                                                                                                      | 4 | 3,588,910. |
| 5 | Decreases not included in line 2 (itemize)                                                                                                                 | 5 |            |
| 6 | <b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) — Part II, column (b), line 30                                               | 6 | 3,588,910. |

**Part IV Capital Gains and Losses for Tax on Investment Income**

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company) |  | (b) How acquired<br>P — Purchase<br>D — Donation | (c) Date acquired<br>(month, day, year) | (d) Date sold<br>(month, day, year) |
|------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------|-----------------------------------------|-------------------------------------|
| 1a SEE STATEMENT 8                                                                                                                       |  |                                                  |                                         |                                     |
| b                                                                                                                                        |  |                                                  |                                         |                                     |
| c                                                                                                                                        |  |                                                  |                                         |                                     |
| d                                                                                                                                        |  |                                                  |                                         |                                     |
| e                                                                                                                                        |  |                                                  |                                         |                                     |

| (e) Gross sales price | (f) Depreciation allowed<br>(or allowable) | (g) Cost or other basis<br>plus expense of sale | (h) Gain or (loss)<br>(e) plus (f) minus (g) |
|-----------------------|--------------------------------------------|-------------------------------------------------|----------------------------------------------|
| a                     |                                            |                                                 |                                              |
| b                     |                                            |                                                 |                                              |
| c                     |                                            |                                                 |                                              |
| d                     |                                            |                                                 |                                              |
| e                     |                                            |                                                 |                                              |

| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 |                                      |                                                     | (l) Gains (Column (h)<br>gain minus column (k), but not less<br>than -0-) or Losses (from column (h)) |
|---------------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| (i) Fair Market Value<br>as of 12/31/69                                                     | (j) Adjusted basis<br>as of 12/31/69 | (k) Excess of column (i)<br>over column (j), if any |                                                                                                       |
| a                                                                                           |                                      |                                                     |                                                                                                       |
| b                                                                                           |                                      |                                                     |                                                                                                       |
| c                                                                                           |                                      |                                                     |                                                                                                       |
| d                                                                                           |                                      |                                                     |                                                                                                       |
| e                                                                                           |                                      |                                                     |                                                                                                       |

|                                                                                |                                                                                                                                                                                                               |  |   |         |
|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---|---------|
| 2 Capital gain net income or (net capital loss)                                | <div style="border: 1px solid black; padding: 2px;">           If gain, also enter in Part I, line 7<br/>           If (loss), enter -0- in Part I, line 7         </div>                                     |  | 2 | 17,756. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) | <div style="border: 1px solid black; padding: 2px;">           If gain, also enter in Part I, line 8, column (c) (see the instructions). If (loss), enter -0-<br/>           in Part I, line 8         </div> |  | 3 | 17,874. |

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries

| (a)<br>Base period years<br>Calendar year (or tax year<br>beginning in) | (b)<br>Adjusted qualifying distributions | (c)<br>Net value of<br>noncharitable-use assets | (d)<br>Distribution ratio<br>(column (b) divided by column (c)) |
|-------------------------------------------------------------------------|------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------|
| 2009                                                                    | 220,151.                                 | 3,887,040.                                      | 0.056637                                                        |
| 2008                                                                    | 246,036.                                 | 4,645,241.                                      | 0.052965                                                        |
| 2007                                                                    | 227,975.                                 | 5,147,188.                                      | 0.044291                                                        |
| 2006                                                                    | 230,533.                                 | 4,745,628.                                      | 0.048578                                                        |
| 2005                                                                    | 247,099.                                 | 4,698,507.                                      | 0.052591                                                        |

|                                                                                                                                                                                |   |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|------------|
| 2 Total of line 1, column (d)                                                                                                                                                  | 2 | 0.255062   |
| 3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years | 3 | 0.051012   |
| 4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5                                                                                                 | 4 | 4,273,004. |
| 5 Multiply line 4 by line 3                                                                                                                                                    | 5 | 217,974.   |
| 6 Enter 1% of net investment income (1% of Part I, line 27b)                                                                                                                   | 6 | 1,430.     |
| 7 Add lines 5 and 6                                                                                                                                                            | 7 | 219,404.   |
| 8 Enter qualifying distributions from Part XII, line 4                                                                                                                         | 8 | 210,404.   |

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

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

|                                                                                                                                                                                                                                   |    |        |        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--------|--------|
| 1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1<br>Date of ruling or determination letter _____ (attach copy of letter if necessary — see instr.) |    | 1      | 2,860. |
| 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, column (b)                                                                                                       |    |        |        |
| 2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)                                                                                                                       |    | 2      | 0.     |
| 3 Add lines 1 and 2                                                                                                                                                                                                               |    | 3      | 2,860. |
| 4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)                                                                                                                     |    | 4      | 0.     |
| 5 <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-                                                                                                                                  |    | 5      | 2,860. |
| 6 Credits/Payments.                                                                                                                                                                                                               |    |        |        |
| a 2010 estimated tax pmts and 2009 overpayment credited to 2010                                                                                                                                                                   | 6a | 2,397. |        |
| b Exempt foreign organizations — tax withheld at source                                                                                                                                                                           | 6b |        |        |
| c Tax paid with application for extension of time to file (Form 8868)                                                                                                                                                             | 6c |        |        |
| d Backup withholding erroneously withheld                                                                                                                                                                                         | 6d |        |        |
| 7 Total credits and payments. Add lines 6a through 6d                                                                                                                                                                             | 7  | 2,397. |        |
| 8 Enter any <b>penalty</b> 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  | 463.   |        |
| 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  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| 1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?                                                                                                                                                             |     | X   |
| b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?                                                                                                                                                                                         |     | 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 <b>Form 1120-POL</b> for this year?                                                                                                                                                                                                                                                                        |     | X   |
| d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:<br>(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?<br>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   |
| 4 a 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 <b>Form 990-T</b> for this year?                                                                                                                                                                                                                                                            |     | N/A |
| 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?<br>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:<br>• By language in the governing instrument, or<br>• 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, column (c), and Part XV                                                                                                                                                                                                | X   |     |
| 8 a Enter the states to which the foundation reports or with which it is registered (see the instructions)<br>CA                                                                                                                                                                                                                     |     |     |
| 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   |

BAA

Form 990-PF (2010)

**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?<br>Website address <u>N/A</u>                                                                                                                                                                                      | 13             | X   |         |
| 14 | The books are in care of <u>KATHERINE M. NORMAN</u> Telephone no <u>425-485-0745</u><br>Located at <u>SAME</u> ZIP + 4 <u>N/A</u>                                                                                                                                                                                                      |                |     |         |
| 15 | Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here<br>and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>                                                                                                                                       | N/A <u>N/A</u> |     |         |
| 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?<br>See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country <u></u> | 16             | Yes | No<br>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 type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?                                                                                                                                                                                                                                                                                                                                                     | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| (6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)                                                                                                                                                                                                                                                   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)?<br>Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>                                                                                                                                                         | 1b                           | N/A                                    |
| 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?<br>If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>                                                                                                                                                                                                                                                             | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| b Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement — see the instructions.)                                                                                                                                                                            | 2b                           | N/A                                    |
| c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.<br><u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>                                                                                                                                                                                                                                                                                                                       |                              |                                        |
| 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.) | 3b                           | N/A                                    |
| 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 ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b N/A

Organizations relying on a current notice regarding disaster assistance check here

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

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

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

7b

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

| (a) Name and address                                                     | (b) Title and average hours per week devoted to position | (c) Compensation (if not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|--------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------|---------------------------------------|
| JULIE JOHNSON<br>101 W PRAIRIE SHOP CTR BX 354<br>HAYDEN, ID 83835       | SECRETARY/TR<br>1.00                                     | 0.                                        | 0.                                                                    | 6,968.                                |
| KATHERINE M. NORMAN<br>101 W PRAIRIE SHOP CTR BX 354<br>HAYDEN, ID 83835 | PRESIDENT<br>1.00                                        | 0.                                        | 0.                                                                    | 0.                                    |
|                                                                          |                                                          |                                           |                                                                       |                                       |
|                                                                          |                                                          |                                           |                                                                       |                                       |

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

| (a) Name and address of each employee paid more than \$50,000 | (b) Title and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---------------------------------------------------------------|----------------------------------------------------------|------------------|-----------------------------------------------------------------------|---------------------------------------|
| NONE                                                          |                                                          |                  |                                                                       |                                       |
|                                                               |                                                          |                  |                                                                       |                                       |
|                                                               |                                                          |                  |                                                                       |                                       |
|                                                               |                                                          |                  |                                                                       |                                       |
|                                                               |                                                          |                  |                                                                       |                                       |
|                                                               |                                                          |                  |                                                                       |                                       |

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 (see instructions). If none, enter 'NONE.'

| (a) Name and address of each person paid more than \$50,000 | (b) Type of service | (c) Compensation |
|-------------------------------------------------------------|---------------------|------------------|
| NONE                                                        |                     |                  |
|                                                             |                     |                  |
|                                                             |                     |                  |
|                                                             |                     |                  |
|                                                             |                     |                  |
|                                                             |                     |                  |

Total number of others receiving over \$50,000 for professional services 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 (see instructions)

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2. | Amount |
|-------------------------------------------------------------------------------------------------------------------|--------|
| 1 N/A                                                                                                             |        |
| 2                                                                                                                 |        |
| All other program-related investments. See instructions.                                                          |        |
| 3                                                                                                                 |        |
| Total. Add lines 1 through 3                                                                                      | 0.     |

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Form 990-PF (2010)

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

|                                                                                                              |    |            |
|--------------------------------------------------------------------------------------------------------------|----|------------|
| 1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes |    |            |
| a Average monthly fair market value of securities                                                            | 1a | 4,169,420. |
| b Average of monthly cash balances                                                                           | 1b | 168,655.   |
| c Fair market value of all other assets (see instructions)                                                   | 1c |            |
| d Total (add lines 1a, b, and c)                                                                             | 1d | 4,338,075. |
| 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  | 4,338,075. |
| 4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)  | 4  | 65,071.    |
| 5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4       | 5  | 4,273,004. |
| 6 Minimum investment return. Enter 5% of line 5                                                              | 6  | 213,650.   |

**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      | 213,650. |
| 2a Tax on investment income for 2010 from Part VI, line 5                                            | 2a | 2,860. |          |
| b Income tax for 2010 (This does not include the tax from Part VI)                                   | 2b |        |          |
| c Add lines 2a and 2b                                                                                |    | 2c     | 2,860.   |
| 3 Distributable amount before adjustments. Subtract line 2c from line 1                              |    | 3      | 210,790. |
| 4 Recoveries of amounts treated as qualifying distributions                                          |    | 4      |          |
| 5 Add lines 3 and 4                                                                                  |    | 5      | 210,790. |
| 6 Deduction from distributable amount (see instructions)                                             |    | 6      |          |
| 7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 |    | 7      | 210,790. |

**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 | 210,404. |
| b Program-related investments — total from Part IX-B                                                                                                   | 1b |          |
| 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  | 210,404. |
| 5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions) | 5  |          |
| 6 Adjusted qualifying distributions. Subtract line 5 from line 4                                                                                       | 6  | 210,404. |

**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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Form 990-PF (2010)

**Part XIII** Undistributed Income (see instructions)

|                                                                                                                                                                                   | (a)<br>Corpus | (b)<br>Years prior to 2009 | (c)<br>2009 | (d)<br>2010 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------|-------------|-------------|
| <b>1</b> Distributable amount for 2010 from Part XI, line 7                                                                                                                       |               |                            |             | 210,790.    |
| <b>2</b> Undistributed income, if any, as of the end of 2010                                                                                                                      |               |                            |             |             |
| <b>a</b> Enter amount for 2009 only                                                                                                                                               |               |                            | 189,354.    |             |
| <b>b</b> Total for prior years 20__, 20__, 20__                                                                                                                                   |               | 0.                         |             |             |
| <b>3</b> Excess distributions carryover, if any, to 2010                                                                                                                          |               |                            |             |             |
| <b>a</b> From 2005                                                                                                                                                                |               |                            |             |             |
| <b>b</b> From 2006                                                                                                                                                                |               |                            |             |             |
| <b>c</b> From 2007                                                                                                                                                                |               |                            |             |             |
| <b>d</b> From 2008                                                                                                                                                                |               |                            |             |             |
| <b>e</b> From 2009                                                                                                                                                                |               |                            |             |             |
| <b>f</b> Total of lines 3a through e                                                                                                                                              | 0.            |                            |             |             |
| <b>4</b> Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 210,404.                                                                                                    |               |                            |             |             |
| <b>a</b> Applied to 2009, but not more than line 2a                                                                                                                               |               |                            | 189,354.    |             |
| <b>b</b> Applied to undistributed income of prior years (Election required — see instructions)                                                                                    |               | 0.                         |             |             |
| <b>c</b> Treated as distributions out of corpus (Election required — see instructions)                                                                                            | 0.            |                            |             |             |
| <b>d</b> Applied to 2010 distributable amount                                                                                                                                     |               |                            |             | 21,050.     |
| <b>e</b> Remaining amount distributed out of corpus                                                                                                                               | 0.            |                            |             |             |
| <b>5</b> Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a) )                                        | 0.            |                            |             | 0.          |
| <b>6</b> Enter the net total of each column as indicated below:                                                                                                                   |               |                            |             |             |
| <b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5                                                                                                                          | 0.            |                            |             |             |
| <b>b</b> Prior years' undistributed income Subtract line 4b from line 2b                                                                                                          |               | 0.                         |             |             |
| <b>c</b> 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.                         |             |             |
| <b>d</b> Subtract line 6c from line 6b. Taxable amount — see instructions                                                                                                         |               | 0.                         |             |             |
| <b>e</b> Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount — see instructions                                                                            |               |                            | 0.          |             |
| <b>f</b> Undistributed income for 2010 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011                                                               |               |                            |             | 189,740.    |
| <b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)                                  | 0.            |                            |             |             |
| <b>8</b> Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)                                                                              | 0.            |                            |             |             |
| <b>9</b> Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a                                                                                              | 0.            |                            |             |             |
| <b>10</b> Analysis of line 9.                                                                                                                                                     |               |                            |             |             |
| <b>a</b> Excess from 2006                                                                                                                                                         |               |                            |             |             |
| <b>b</b> Excess from 2007                                                                                                                                                         |               |                            |             |             |
| <b>c</b> Excess from 2008                                                                                                                                                         |               |                            |             |             |
| <b>d</b> Excess from 2009                                                                                                                                                         |               |                            |             |             |
| <b>e</b> Excess from 2010                                                                                                                                                         |               |                            |             |             |



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

| Recipient<br>Name and address (home or business) | If recipient is an individual,<br>show any relationship to<br>any foundation manager or<br>substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount   |
|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|----------|
| <i>a Paid during the year</i><br>SEE STATEMENT 9 |                                                                                                                    |                                      |                                     |          |
| <b>Total</b>                                     |                                                                                                                    |                                      | <b>3a</b>                           | 190,000. |
| <i>b Approved for future payment</i>             |                                                                                                                    |                                      |                                     |          |
| <b>Total</b>                                     |                                                                                                                    |                                      | <b>3b</b>                           |          |





2010

## FEDERAL STATEMENTS

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CLIENT EMELCO

THE EMELCO FOUNDATION

95-3863839

4/07/11

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**STATEMENT 1**  
**FORM 990-PF, PART I, LINE 11**  
**OTHER INCOME**

|                         | (A)<br>REVENUE<br>PER BOOKS | (B) NET<br>INVESTMENT<br>INCOME | (C)<br>ADJUSTED<br>NET INCOME |
|-------------------------|-----------------------------|---------------------------------|-------------------------------|
| OTHER INVESTMENT INCOME | \$ 601.                     | \$ 601.                         | \$ 601.                       |
| <b>TOTAL</b>            | <b>\$ 601.</b>              | <b>\$ 601.</b>                  | <b>\$ 601.</b>                |

**STATEMENT 2**  
**FORM 990-PF, PART I, LINE 16B**  
**ACCOUNTING FEES**

|                      | (A)<br>EXPENSES<br>PER BOOKS | (B) NET<br>INVESTMENT<br>INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |
|----------------------|------------------------------|---------------------------------|-------------------------------|-------------------------------|
| SHARON A DODSON, CPA | \$ 2,920.                    |                                 |                               | \$ 2,920.                     |
| <b>TOTAL</b>         | <b>\$ 2,920.</b>             | <b>\$ 0.</b>                    | <b>\$ 0.</b>                  | <b>\$ 2,920.</b>              |

**STATEMENT 3**  
**FORM 990-PF, PART I, LINE 18**  
**TAXES**

|                                   | (A)<br>EXPENSES<br>PER BOOKS | (B) NET<br>INVESTMENT<br>INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |
|-----------------------------------|------------------------------|---------------------------------|-------------------------------|-------------------------------|
| ATTORNEY GENERAL REGISTRY CHAR TR | \$ 50.                       |                                 |                               | \$ 50.                        |
| FOREIGN TAXES                     | 1,395.                       | \$ 1,395.                       |                               |                               |
| FRANCHISE TAX BOARD               | 10.                          |                                 |                               | 10.                           |
| <b>TOTAL</b>                      | <b>\$ 1,455.</b>             | <b>\$ 1,395.</b>                | <b>\$ 0.</b>                  | <b>\$ 60.</b>                 |

**STATEMENT 4**  
**FORM 990-PF, PART I, LINE 23**  
**OTHER EXPENSES**

|                 | (A)<br>EXPENSES<br>PER BOOKS | (B) NET<br>INVESTMENT<br>INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |
|-----------------|------------------------------|---------------------------------|-------------------------------|-------------------------------|
| CONFERENCE FEES | \$ 10,400.                   |                                 |                               | \$ 10,400.                    |
| P.O. BOX        | 56.                          |                                 |                               | 56.                           |
| <b>TOTAL</b>    | <b>\$ 10,456.</b>            | <b>\$ 0.</b>                    | <b>\$ 0.</b>                  | <b>\$ 10,456.</b>             |

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**STATEMENT 5**  
**FORM 990-PF, PART II, LINE 10A**  
**INVESTMENTS - U.S. AND STATE GOVERNMENT OBLIGATIONS**

| STATE/MUNICIPAL OBLIGATIONS     | VALUATION<br>METHOD | BOOK<br>VALUE | FAIR MARKET<br>VALUE |
|---------------------------------|---------------------|---------------|----------------------|
| MISSOURI ST HOUSING 5.34% 35000 | MKT VAL             | \$ 35,053.    | \$ 35,490.           |
|                                 |                     | \$ 35,053.    | \$ 35,490.           |
|                                 | TOTAL               | \$ 35,053.    | \$ 35,490.           |

**STATEMENT 6**  
**FORM 990-PF, PART II, LINE 10B**  
**INVESTMENTS - CORPORATE STOCKS**

| CORPORATE STOCKS                        | VALUATION<br>METHOD | BOOK<br>VALUE | FAIR MARKET<br>VALUE |
|-----------------------------------------|---------------------|---------------|----------------------|
| LILLY ELI & CO 2700 SHS                 | MKT VAL             | \$ 102,230.   | \$ 94,608.           |
| GENERAL ELEC CO COM 8000 SHS            | MKT VAL             | 87,124.       | 146,320.             |
| EXXON MOBIL CORP COM 1600 SHS           | MKT VAL             | 24,582.       | 116,992.             |
| DISNEY WALT COMPANY 4000 SHS            | MKT VAL             | 94,312.       | 150,040.             |
| ALCOA INC COM STK 3300 SHS              | MKT VAL             | 62,769.       | 50,787.              |
| AMER INTL GROUP INC NEW 75 SHS          | MKT VAL             | 79,830.       | 4,322.               |
| CHEVRON CORP 1800 SHS                   | MKT VAL             | 87,073.       | 164,250.             |
| CISCO SYS INC 5200 SHS                  | MKT VAL             | 100,242.      | 105,196.             |
| CITIGROUP INC 2000 SHS                  | MKT VAL             | 48,510.       | 9,460.               |
| HEWLETT PACKARD CO 2700 SHS             | MKT VAL             | 75,891.       | 113,670.             |
| INTEL CORP 4300 SHS                     | MKT VAL             | 42,949.       | 90,429.              |
| INTERNATIONAL BUSINESS MACH 1100 SHS    | MKT VAL             | 60,792.       | 161,436.             |
| JOHNSON & JOHNSON 2000 SHS              | MKT VAL             | 37,970.       | 123,700.             |
| MICROSOFT CORP 6000 SHS                 | MKT VAL             | 139,506.      | 167,460.             |
| 3M CO 1700 SHS                          | MKT VAL             | 61,346.       | 146,710.             |
| PROCTER & GAMBLE 2000 SHS               | MKT VAL             | 84,217.       | 128,660.             |
| AMGEN INC 1300 SHS                      | MKT VAL             | 74,687.       | 71,370.              |
| PFIZER INC 4400 SHS                     | MKT VAL             | 80,747.       | 77,044.              |
| ISHARES TR RUSSELL INDEX 2400 SHS       | MKT VAL             | 124,644.      | 155,688.             |
| QUALCOMM INC 1500 SHS                   | MKT VAL             | 55,596.       | 74,235.              |
| TARGET CORP 1000 SHS                    | MKT VAL             | 53,800.       | 60,130.              |
| ZIONS BANCORPORATION 1000 SHS           | MKT VAL             | 69,374.       | 24,230.              |
| ISHARES TR S&P SMALL CAP INDEX 2500 SHS | MKT VAL             | 129,424.      | 171,175.             |
| ILLUMINA 3400 SHS                       | MKT VAL             | 85,375.       | 215,356.             |
| NOVARTIS 1800 SHS                       | MKT VAL             | 105,876.      | 106,110.             |
| SCHLUMBERGER 1700 SHS                   | MKT VAL             | 103,361.      | 141,950.             |
| TEVA PHARMACEUTICAL 2400 SHS            | MKT VAL             | 81,001.       | 125,112.             |
| AT&T INC 2600 SHS                       | MKT VAL             | 65,960.       | 76,388.              |
| VERIZON COMMUNICATIONS 2200 SHS         | MKT VAL             | 62,084.       | 78,716.              |
| APPLE INC 200 SHS                       | MKT VAL             | 56,552.       | 64,512.              |
| FIRST ENERGY CORP 2000 SHS              | MKT VAL             | 71,228.       | 74,040.              |
| HEALTH CARE REIT INC 1700 SHS           | MKT VAL             | 72,229.       | 80,988.              |
|                                         | TOTAL               | \$ 2,481,281. | \$ 3,371,084.        |

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**STATEMENT 7**  
**FORM 990-PF, PART II, LINE 10C**  
**INVESTMENTS - CORPORATE BONDS**

| CORPORATE BONDS                         | VALUATION<br>METHOD | BOOK<br>VALUE | FAIR MARKET<br>VALUE |
|-----------------------------------------|---------------------|---------------|----------------------|
| FPL GROUP CAPITAL 5.625% 9/1/11 100000  | MKT VAL             | \$ 101,851.   | \$ 103,068.          |
| SBC COMMUNICATION 5.875% 8/15/12 100000 | MKT VAL             | 102,728.      | 107,740.             |
| VERIZON VIRGINIA 4.625% 3/15/13 50000   | MKT VAL             | 47,933.       | 52,808.              |
| ALCAN INC NOTE 4.875% 9/15/12 50000     | MKT VAL             | 51,828.       | 52,844.              |
| JOHNSON CONTROLS 4.875% 9/15/13 50000   | MKT VAL             | 51,380.       | 53,726.              |
| SOUTHWEST AIRLINES 5.25% 10/1/14 50000  | MKT VAL             | 50,743.       | 52,587.              |
| REGENCY CENTERS LP 5.25% 8/1/15 25000   | MKT VAL             | 24,818.       | 26,087.              |
| KIMCO REALTY 4.82% 8/15/11 50000        | MKT VAL             | 51,676.       | 50,921.              |
| TELECOM ITALIA 4.95% 9/30/14 100000     | MKT VAL             | 101,862.      | 102,454.             |
| DUQUESNE LT HOLDINGS 5.5% 8/15/15 50000 | MKT VAL             | 51,206.       | 51,365.              |
| HEALTH CARE PROPERTY 6.3% 9/15/16 50000 | MKT VAL             | 50,847.       | 53,861.              |
| MASCO CORP 6.125% 10/3/16 50000         | MKT VAL             | 52,130.       | 51,099.              |
| HEALTHCARE PROP 5.625% 5/1/17 50000     | MKT VAL             | 49,380.       | 51,183.              |
| ANADARKO PETE 6.375% 9/15/17 50000      | MKT VAL             | 50,380.       | 54,465.              |
| ALCOA INC 6.75% 7/15/18 50000           | MKT VAL             | 49,255.       | 54,479.              |
|                                         | TOTAL               | \$ 888,017.   | \$ 918,687.          |

**STATEMENT 8**  
**FORM 990-PF, PART IV, LINE 1**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

| ITEM | (A) DESCRIPTION                                 | (B) HOW<br>ACQUIRED    | (C) DATE<br>ACQUIRED | (D) DATE<br>SOLD   |                     |                           |                         |                    |
|------|-------------------------------------------------|------------------------|----------------------|--------------------|---------------------|---------------------------|-------------------------|--------------------|
| 1    | 1400 DOVER CORP COMMON                          | PURCHASED              | 11/02/2004           | 1/13/2010          |                     |                           |                         |                    |
| 2    | 2000 EBAY INC                                   | PURCHASED              | 12/05/2003           | 11/04/2010         |                     |                           |                         |                    |
| 3    | .088 FRONTIER COMM CASH IN LIEU                 | PURCHASED              | VARIOUS              | 7/01/2010          |                     |                           |                         |                    |
| 4    | 408 FRONTIER COMMUNICATIONS CORP                | PURCHASED              | 5/15/2009            | 11/04/2010         |                     |                           |                         |                    |
| 5    | 120 FRONTIER COMMUNICATIONS CORP                | PURCHASED              | 3/18/2010            | 11/04/2010         |                     |                           |                         |                    |
| 6    | 3300 NATIONAL RETAIL PROPERTIES INC             | PURCHASED              | 6/23/2010            | 12/02/2010         |                     |                           |                         |                    |
| 7    | 900 TOYOTA MOTOR CORP SPONSORED ADR             | PURCHASED              | 9/27/2006            | 3/18/2010          |                     |                           |                         |                    |
| 8    | 2800 TRAVELERS COMPANIES INC                    | PURCHASED              | VARIOUS              | 6/23/2010          |                     |                           |                         |                    |
| 9    | 2400 WELLS FARGO & CO NEW                       | PURCHASED              | 2/07/2005            | 3/16/2010          |                     |                           |                         |                    |
| 10   | 2000 ISHARES TRUST MSCI EAFE INDEX FUND         | PURCHASED              | VARIOUS              | 5/18/2010          |                     |                           |                         |                    |
| 11   | 400 ISHARES TRUST MSCI EAFE INDEX FUND          | PURCHASED              | 7/30/2009            | 5/18/2010          |                     |                           |                         |                    |
| 12   | 5000 MISSOURI ST HOUSING DEV COMMN S/F MORT     | PURCHASED              | 8/03/2007            | 1/04/2010          |                     |                           |                         |                    |
| 13   | 5000 MISSOURI ST HOUSING DEV COMMN S/F MORT     | PURCHASED              | 8/03/2007            | 6/01/2010          |                     |                           |                         |                    |
| 14   | 5000 MISSOURI ST HOUSING DEV COMMN S/F MORT     | PURCHASED              | 8/03/2007            | 8/02/2010          |                     |                           |                         |                    |
| 15   | 43000 CENTURY TEL INC SENIOR NOTE B/E           | PURCHASED              | 5/20/2008            | 10/15/2010         |                     |                           |                         |                    |
| 16   | 100000 GOLDMAN SACHS GROUP INC SENIOR NOTE SEMI | PURCHASED              | 7/10/2003            | 5/18/2010          |                     |                           |                         |                    |
| 17   | 50000 INTL LEASE FINANCE CORP NOTE B/E          | PURCHASED              | 5/20/2008            | 2/09/2010          |                     |                           |                         |                    |
| 18   | 50000 INTL LEASE FINANCE CORP NOTE B/E          | PURCHASED              | 5/20/2008            | 9/01/2010          |                     |                           |                         |                    |
| 19   | 50000 SARA LEE CORP NOTE                        | PURCHASED              | 6/17/2008            | 9/08/2010          |                     |                           |                         |                    |
| 20   | 100000 UNILEVER CAP CORP NOTES SEMI             | PURCHASED              | 9/01/2006            | 11/01/2010         |                     |                           |                         |                    |
|      | (E) GROSS<br>SALES                              | (F) DEPREC.<br>ALLOWED | (G) COST<br>BASIS    | (H) GAIN<br>(LOSS) | (I) FMV<br>12/31/09 | (J) ADJ. BAS.<br>12/31/09 | (K) EXCESS<br>(I) - (J) | (L) GAIN<br>(LOSS) |
| 1    | 63,767.                                         |                        | 55,426.              | 8,341.             |                     |                           |                         | \$ 8,341.          |

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**STATEMENT 8 (CONTINUED)**  
**FORM 990-PF, PART IV, LINE 1**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

| ITEM | (E)<br>GROSS<br>SALES | (F)<br>DEPREC.<br>ALLOWED | (G)<br>COST<br>BASIS | (H)<br>GAIN<br>(LOSS) | (I)<br>FMV<br>12/31/69 | (J)<br>ADJ. BAS.<br>12/31/69 | (K)<br>EXCESS<br>(I) - (J) | (L)<br>GAIN<br>(LOSS) |
|------|-----------------------|---------------------------|----------------------|-----------------------|------------------------|------------------------------|----------------------------|-----------------------|
| 2    | 60,003.               |                           | 55,288.              | 4,715.                |                        |                              |                            | \$ 4,715.             |
| 3    | 1.                    |                           | 1.                   | 0.                    |                        |                              |                            | 0.                    |
| 4    | 3,597.                |                           | 3,153.               | 444.                  |                        |                              |                            | 444.                  |
| 5    | 1,058.                |                           | 951.                 | 107.                  |                        |                              |                            | 107.                  |
| 6    | 89,477.               |                           | 71,191.              | 18,286.               |                        |                              |                            | 18,286.               |
| 7    | 70,296.               |                           | 98,295.              | -27,999.              |                        |                              |                            | -27,999.              |
| 8    | 142,457.              |                           | 106,900.             | 35,557.               |                        |                              |                            | 35,557.               |
| 9    | 71,410.               |                           | 73,520.              | -2,110.               |                        |                              |                            | -2,110.               |
| 10   | 98,329.               |                           | 107,016.             | -8,687.               |                        |                              |                            | -8,687.               |
| 11   | 19,666.               |                           | 20,185.              | -519.                 |                        |                              |                            | -519.                 |
| 12   | 5,000.                |                           | 5,008.               | -8.                   |                        |                              |                            | -8.                   |
| 13   | 5,000.                |                           | 5,008.               | -8.                   |                        |                              |                            | -8.                   |
| 14   | 5,000.                |                           | 5,008.               | -8.                   |                        |                              |                            | -8.                   |
| 15   | 43,000.               |                           | 46,215.              | -3,215.               |                        |                              |                            | -3,215.               |
| 16   | 101,795.              |                           | 100,920.             | 875.                  |                        |                              |                            | 875.                  |
| 17   | 48,495.               |                           | 50,360.              | -1,865.               |                        |                              |                            | -1,865.               |
| 18   | 50,000.               |                           | 50,360.              | -360.                 |                        |                              |                            | -360.                 |
| 19   | 52,923.               |                           | 51,291.              | 1,632.                |                        |                              |                            | 1,632.                |
| 20   | 100,000.              |                           | 107,422.             | -7,422.               |                        |                              |                            | -7,422.               |
|      |                       |                           |                      |                       |                        |                              | -- TOTAL                   | \$- 17,756.           |

**STATEMENT 9**  
**FORM 990-PF, PART XV, LINE 3A**  
**RECIPIENT PAID DURING THE YEAR**

| NAME AND ADDRESS                                                                     | DONEE<br>RELATIONSHIP | FOUND-<br>ATION<br>STATUS | PURPOSE OF<br>GRANT                                                                                                                          | AMOUNT    |
|--------------------------------------------------------------------------------------|-----------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| HUNTINGTON MED RES<br>INSTITUTES<br>734 FAIRMOUNT AVE<br>PASADENA, CA 91105          | NONE                  | N/A                       | LYNN SMITH<br>MEMORIAL GOLF<br>TOURNAMENT                                                                                                    | \$ 5,000. |
| INTER CTR FOR EARLY<br>CHILDHOOD<br>1538 E. WARNER AVE, STE A<br>SANTA ANA, CA 92705 | NONE                  | N/A                       | UPDATE/ENHANCE<br>MUSIC THERAPY<br>SERVICES AND<br>REPLACE<br>AUGMENTATIVE<br>DEVICES                                                        | 5,000.    |
| UNION GOSPEL MISSION<br>P.O. BOX 4066<br>SPOKANE, WA 99220                           | NONE                  | N/A                       | ARCHITECTURAL<br>DESIGN EXPENSES<br>FOR WOMEN'S/<br>CHILDREN'S<br>SHELTER/RECOVERY<br>CENTER IN COEUR<br>D'ALENE; SPECIAL<br>HOLIDAY DINNERS | 10,000.   |

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**STATEMENT 9 (CONTINUED)**  
**FORM 990-PF, PART XV, LINE 3A**  
**RECIPIENT PAID DURING THE YEAR**

| NAME AND ADDRESS                                                                   | DONEE<br>RELATIONSHIP | FOUND-<br>ATION<br>STATUS | PURPOSE OF<br>GRANT                                                    | AMOUNT    |
|------------------------------------------------------------------------------------|-----------------------|---------------------------|------------------------------------------------------------------------|-----------|
| FAMILY RESEARCH COUNCIL<br>801 G STREET NW<br>WASHINGTON, DC 20001                 | NONE                  | N/A                       | FUNDING FOR<br>FAMILY RESEARCH<br>COUNCIL'S TEAM<br>OF EXPERTS         | \$ 9,000. |
| WESTMONT COLLEGE<br>955 LA PAZ ROAD<br>SANTA BARBARA, CA 93108                     | NONE                  | N/A                       | COMPLETION OF<br>PLEDGE: PHASE 1<br>CONSTRUCTION AND<br>INFRASTRUCTURE | 20,000.   |
| THE GATHERING<br>601 SHELLEY DR., STE. 201<br>TYLER, TX 75701                      | NONE                  | N/A                       | SUPPORT FOR<br>GENNEXT PROGRAM                                         | 5,000.    |
| OPPORTUNITY INTERNATIONAL<br>2122 YORK RD, STE 150<br>OAK BROOK, IL 60523          | NONE                  | N/A                       | NEW BANK IN<br>DEMOCRATIC<br>REPUBLIC OF<br>CONGO                      | 20,000.   |
| LIFEWATER INTERNATIONAL<br>P.O. BOX 3131<br>SAN LUIS OBISPO, CA 93403              | NONE                  | N/A                       | ETHIOPIA                                                               | 8,000.    |
| ALLIANCE DEFENSE FUND<br>15100 N. 90TH STREET<br>SCOTTSDALE, AZ 85260              | NONE                  | N/A                       | ADF UNIVERSITY<br>PROJECT -<br>MATCHING GRANT                          | 8,000.    |
| INTERNATIONAL JUSTICE<br>MISSION<br>P.O. BOX 58147<br>WASHINGTON, DC 20037         | NONE                  | N/A                       | IJM KOLKATA                                                            | 20,000.   |
| BOYS REPUBLIC<br>1907 BOYS REPUBLIC DRIVE<br>CHINO HILLS, CA 91709                 | NONE                  | N/A                       | CHINO HILLS<br>CAMPUS RE-PAVE                                          | 5,000.    |
| SENIOR LIVING MINISTRIES<br>28232 YANEZ<br>MISSION VIEJO, CA 92692                 | NONE                  | N/A                       | WEEKLY EMAIL<br>DEVOTIONAL AND<br>WEBSITE<br>MAINTENANCE               | 5,000.    |
| HOMEWORD<br>31726 RANCHO VIEJO RD<br>SUITE 123<br>SAN JUAN CAPISTRANO, CA<br>92675 | NONE                  | N/A                       | DEVELOPMENT OF<br>FAMILY TIME<br>FAITH<br>CONVERSATIONS<br>PROGRAM     | 8,000.    |
| AZUSA PACIFIC UNIVERSITY<br>901 E. ALOSTA AVENUE<br>AZUSA, CA 91702                | NONE                  | N/A                       | OFFICE OF WORLD<br>MISSIONS                                            | 5,000.    |

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## FEDERAL STATEMENTS

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STATEMENT 9 (CONTINUED)  
FORM 990-PF, PART XV, LINE 3A  
RECIPIENT PAID DURING THE YEAR

| NAME AND ADDRESS                                                                | DONEE<br>RELATIONSHIP | FOUND-<br>ATION<br>STATUS | PURPOSE OF<br>GRANT                                          | AMOUNT      |
|---------------------------------------------------------------------------------|-----------------------|---------------------------|--------------------------------------------------------------|-------------|
| CORAL RIDGE MINISTRIES<br>P.O. BOX 1600<br>FT. LAUDERDALE, FL 33302             | NONE                  | N/A                       | BROADCAST<br>AIRTIME FOR<br>RADIO/TV<br>PROGRAMS             | \$ 5,000.   |
| BELLEVUE CHRISTIAN SCHOOL<br>1601 98TH AVENUE NE<br>CLYDE HILL, WA 98004        | NONE                  | N/A                       | DEVELOPMENT<br>DIRECTOR SALARY<br>& DEVELOPMENT<br>MATERIALS | 25,000.     |
| MISSIONARY AVIATION<br>FELLOWSHIP<br>P.O. BOX 47<br>NAMPA, ID 83653             | NONE                  | N/A                       | FLEET<br>OPTIMIZATION -<br>FUNDING THE 6TH<br>KODIAK         | 22,000.     |
| CINCINNATI CHRISTIAN<br>UNIVERSITY<br>2700 GLENWAY AVE.<br>CINCINNATI, OH 45204 | NONE                  | N/A                       | BEYOND THE WALLS<br>- CAPITAL<br>CAMPAIGN                    | 5,000.      |
| TOTAL                                                                           |                       |                           |                                                              | \$ 190,000. |