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

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.

2011

For calendar year **2011** or tax year beginning , **2011**, and ending , **20**

Name of foundation BLUE MOUNTAIN CENTER		A Employer identification number 22-2370485
Number and street (or P.O. box number if mail is not delivered to street address) P.O. Box 109	Room/suite	B Telephone number (see instructions) (518) 352-7300
City or town, state, and ZIP code BLUE MOUNTAIN LAKE, NY 12812		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input checked="" type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here . . . <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation . . . <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here . . . <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 9998005	J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other (specify) MODIFIED CASH (Part I, column (d) must be on cash basis.)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here . . . <input type="checkbox"/>

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 instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule) A	4511942			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	29973	29973	29973	
	4 Dividends and interest from securities	48135	48135	48135	
	5a Gross rents Unrealized Loss, net:	(74425)	-	-	
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	(140741)			
	b Gross sales price for all assets on line 6a 3165291				
	7 Capital gain net income (from Part IV, line 2)		(140741)		
	8 Net short-term capital gain			(12557)	
	9 Income modifications			-	
	10a Gross sales less returns and allowances	-			
b Less: Cost of goods sold	-				
c Gross profit or (loss) (attach schedule)	-				
11 Other income (attach schedule) Miscellaneous	9679	-	-		
12 Total. Add lines 1 through 11	4384563	(62633)	65551		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	93655	9366	9366	84289
	14 Other employee salaries and wages	144461	8750	8750	135711
	15 Pension plans, employee benefits	115072	-	-	115072
	16a Legal fees (attach schedule)	-	-	-	-
	b Accounting fees (attach schedule)	11000	5500	5500	5500
	c Other professional fees (attach schedule) Investment Mgt Fee	26717	26717	26717	-
	17 Interest	-	-	-	-
	18 Taxes (attach schedule) (see instructions) SCHEDULE 2	8850	2625	2625	6225
	19 Depreciation (attach schedule) and depletion	23022	-	-	
	20 Occupancy NOV 4 2013	88988	-	-	88988
	21 Travel, conferences, and meetings	6377	-	-	6377
22 Printing and publications	-	-	-	-	
23 Other expenses (attach schedule) SCHEDULE 3	195172	-	-	195172	
24 Total operating and administrative expenses. Add lines 13 through 23	713314	52958	52958	637334	
25 Contributions, gifts, grants paid Margolis Award	5000			5000	
26 Total expenses and disbursements. Add lines 24 and 25	718314	52958	52958	642334	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	3666249				
b Net investment income (if negative, enter -0-)		-			
c Adjusted net income (if negative, enter -0-)			12593		

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BLUE MOUNTAIN CENTER

22-2370485

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	175 800	156 257	156 257
	2 Savings and temporary cash investments	422 863	424 617	424 617
	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 instructions)	8390	-	-
	7 Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	5856	4376	4376
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	1418869		
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶			
Less: accumulated depreciation (attach schedule) ▶				
12 Investments—mortgage loans				
13 Investments—other (attach schedule) SCHEDULE 5	3267705	8359543	8359543	
14 Land, buildings, and equipment: basis ▶ COST				
Less: accumulated depreciation (attach schedule) ▶ SCHEDULE 6	645744	672489	672489	
15 Other assets (describe ▶ Restricted Cash)	386529	380723	380723	
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, Item I)	6331756	9998005	9998005	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	-	-		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	5945227	5298300	
	25 Temporarily restricted	386529	399705	
	26 Permanently restricted	-	4300000	
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances (see instructions)	6331756	9998005		
31 Total liabilities and net assets/fund balances (see instructions)	6331756	9998005		

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	6331756
2 Enter amount from Part I, line 27a		2	3666249
3 Other increases not included in line 2 (itemize) ▶		3	-
4 Add lines 1, 2, and 3		4	9998005
5 Decreases not included in line 2 (itemize) ▶		5	-
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30		6	9998005

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	SCHEDULE 4			
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a		LT GAIN	191,227	
b		ST LOSS	(12,557)	
c		LT LOSS	(319,411)	
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0- or Losses (from col. (h))	
(j) F.M.V. as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of col. (j) over col. (k), if any		
a				
b				
c				
d				
e				
2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	(140,741)
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 }		3	(12,557)

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	556,692	561,100.5	.0992
2009	556,323	611,715	.0910
2008	592,706	500,380.1	.1185
2007	639,825	870,713.6	.0735
2006	616,043	852,240.6	.0723
2	Total of line 1, column (d)		.4545
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		.0909
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5		641,646.3
5	Multiply line 4 by line 3		582,802
6	Enter 1% of net investment income (1% of Part I, line 27b)		-0-
7	Add lines 5 and 6		582,802
8	Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.		692,101

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

1a Exempt operating foundations described in section 4940(d)(2), check here [] and enter "N/A" on line 1. Date of ruling or determination letter: (attach copy of letter if necessary—see instructions)
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here [X] and enter 1% of Part I, line 27b
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
3 Add lines 1 and 2
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-
6 Credits/Payments:
a 2011 estimated tax payments and 2010 overpayment credited to 2011
b Exempt foreign organizations—tax withheld at source
c Tax paid with application for extension of time to file (Form 8868)
d Backup withholding erroneously withheld
7 Total credits and payments. Add lines 6a through 6d
8 Enter any penalty for underpayment of estimated tax. Check here [] if Form 2220 is attached
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax Refunded

Part VII-A Statements Regarding Activities

1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?
c Did the foundation file Form 1120-POL for this year?
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. (2) On foundation managers.
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers.
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?
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?
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?
4b If "Yes," has it filed a tax return on Form 990-T for this year?
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:
7 Did the foundation have at least \$5,000 in assets at any time during the year?
8a Enter the states to which the foundation reports or with which it is registered
8b 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?
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 2011 or the taxable year beginning in 2011?
10 Did any persons become substantial contributors during the tax year?

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 make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X
Website address > www.bluemountaincenter.org
14 The books are in care of > Sharon Fish Telephone no. > (518) 352-7300
Located at > Blue Mountain Lake, NY ZIP+4 > 12812
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here. > NA > 15
16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? 16 Yes No X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country >

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1a During the year did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes No X
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No X
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No X
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No X
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes No X
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) Yes No X
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 instructions)? N/A
Organizations relying on a current notice regarding disaster assistance check here >
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? 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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? Yes No X
If "Yes," list the years > 20 , 20 , 20 , 20
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement-see instructions.) 2b X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. > 20 , 20 , 20 , 20
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No X
b If "Yes," did it have excess business holdings in 2011 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 2011.) N/A 3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? 4b X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

- 5a During the year did the foundation pay or incur any amount to:
- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
 - (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
 - (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (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)? Yes No **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? 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? Yes No
- 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? Yes No

5b		
6b		
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
HARRIET BARLOW BLUE MOUNTAIN LAKE, NY	EXEC DIR 40	93,655	38,914	-0-
ADAM HOCHSCHILD BLUE MOUNTAIN LAKE, NY	CHAIRMAN AS NEEDED	-0-	-0-	-0-
KIRK MARCKWALD SAN FRANCISCO, CA	TREASURER	-0-	-0-	-0-
ARLIE HOCHSCHILD SAN FRANCISCO, CA	-	-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

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 ▶

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 The Center provides space for promising writers to develop their literary talents in a favorable environment & facilities for social change conferences	561,777
2 Project to explore ways to raise visibility & importance of preservation of the commons	25,000
3 Project collects art work & written work to stimulate awareness of the US invasions in the Middle East	55,557
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 ▶	

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	5534237
b	Average of monthly cash balances	1b	589769
c	Fair market value of all other assets (see instructions) (PP&E used for charitable purpose)	1c	385099
d	Total (add lines 1a, b, and c)	1d	6509100
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	-
3	Subtract line 2 from line 1d	3	6509100
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	97637
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	6411463
6	Minimum investment return. Enter 5% of line 5	6	320513

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	320513
2a	Tax on investment income for 2011 from Part VI, line 5	2a	-0-
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	-0-
c	Add lines 2a and 2b	2c	-0-
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	320513
4	Recoveries of amounts treated as qualifying distributions	4	-
5	Add lines 3 and 4	5	320513
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	320513

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	642334
b	Program-related investments—total from Part IX-B	1b	-0-
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	49767
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	692101
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	692101

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				320,573
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			-	
b Total for prior years: 20____, 20____, 20____		-		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	-			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ _____				
a Applied to 2010, but not more than line 2a			-	
b Applied to undistributed income of prior years (Election required—see instructions)		-		
c Treated as distributions out of corpus (Election required—see instructions)	-			
d Applied to 2011 distributable amount				-
e Remaining amount distributed out of corpus	-			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	-			-
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	-			
b Prior years' undistributed income. Subtract line 4b from line 2b		-		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		-		
d Subtract line 6c from line 6b. Taxable amount—see instructions		-		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount—see instructions			-	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				-
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	-			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	-			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	-			
10 Analysis of line 9:				
a Excess from 2007	-			
b Excess from 2008	-			
c Excess from 2009	-			
d Excess from 2010	-			
e Excess from 2011	-			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶

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

	Tax year				(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	12593	33249	12549	18596	76987
b 85% of line 2a	10704	28262	10667	16113	65746
c Qualifying distributions from Part XII, line 4 for each year listed	692101	556692	556323	596192	2401308
d Amounts included in line 2c not used directly for active conduct of exempt activities	-	-	-	-	-
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	692101	556692	556323	596192	2401308
3 Complete 3a, b, or c for the alternative test relied upon.					
a "Assets" alternative test—enter:					
(1) Value of all assets	-	-	-	-	77400
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)	-	-	-	-	-
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	222889	187033	203724	238401	852047
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)	N/A				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

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

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

N/A

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

N/A

c Any submission deadlines:

N/A

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

N/A

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a Paid during the year</p> <p>SABINE HEINLEIN P.O. BOX 109 BLUE MOUNTAIN LAKE, NY 12812</p>	NONE	NONE	MARGOLIS AWARD	\$ 5,000
<p>Total ▶ 3a</p>				5,000
<p>b Approved for future payment</p> <p>NONE</p>				
<p>Total ▶ 3b</p>				

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

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash (2) Other assets b Other transactions: (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule.

Table with columns 'Yes' and 'No' for items 1a(1), 1a(2), 1b(1) through 1b(6), and 1c. All 'No' boxes are checked with an 'X'.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. The only entry is 'N/A' in column (d).

- 2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code... b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. All cells are empty.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Signature of officer or trustee: Susan W. Svoboda, Date: 10/31/13, Title: President.

May the IRS discuss this return with the preparer shown below (see instructions)? [] Yes [X] No

Paid Preparer Use Only Print/Type preparer's name: SUSAN W SVOBODA, Preparer's signature: Susan W. Svoboda, Date: 10/11/13, Check [X] if self-employed, Firm's name: SUSAN W SVOBODA CPA, Firm's EIN: 112-38-5660, Firm's address: 12 TAMARAC DR., TUPPER LAKE, NY 12986, Phone no: (518) 572-2265.

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No. 1545-0047

2011

Name of the organization

Employer identification number

BLUE MOUNTAIN CENTER

22-2370485

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **BLUE MOUNTAIN CENTER** Employer identification number **22-2370485**

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	HKH FOUNDATION 96 ANCHIN, BLOCK, ANCHIN 1375 BROADWAY, NY, NY 10018	\$ 4,450,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

BLUE MOUNTAIN CENTER

2011

22-2310485

SCHEDULE A

PART 1 line 1

CONTRIBUTIONS

HKH FOUNDATION

ENDOWMENT

4,300,000

UNRESTRICTED

100,000

SPECIAL PROJECT

50,000

RESTRICTED

SPECIAL PROJECT

25,050

UNRESTRICTED

33,092

MARGOLIS ACCOUNT

3,800

4511942

BLUE MOUNTAIN CENTER
FORM 990 PF

22-2370 485

SCHEDULE 1 PART 1 line 6b
SALES PROCEEDS

US TRUST

\$ 1,610,520

VANGUARD

1,554,771

\$ 3,165,291

SCHEDULE 2 PART 1 line 18

Prior Yr Income Tax \$ 2625

6225

Income Taxes

\$ 8850

BLUE MOUNTAIN CENTER

22-2370485

SCHEDULE 3

PART 1 line 23

Food and beverages	\$ 41,348
Special projects	81,091 -
Repairs and maintenance	21,569 -
Household supplies	29,487 -
Office supplies	8,456 -
Insurance	11,135 -
Telephone	2,086 -
	<hr/>
	\$ 195,172
	<hr/>

BLUE MOUNTAIN CENTER 22-2370485
SCHEDULE 4

PART IV line 2

US Trust
See Schedule 4-1

Vanguard

SHORT TERM
LOSS
\$ (12,557)
-
\$ (12,557)

LONG TERM
GAIN (LOSS)
\$ 191,227
(319,411)
\$ (128,184)

22-2370485

BLUE MOUNTAIN CENTER
SCHEDULE 4-1

BANK 41 NEW YORK
REGION 01 NEW YORK CITY
OFFICE 100 NEW YORK CITY

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GAIN / LOSS INFORMATION
----- F E D E R A L -----
LONG DSALW LOSS

ACQUISITION TRANSACTION DATE DATE

ABBOTT LABS
COM

05/05/10 01/03/11
05/06/10 03/23/11
05/06/10 06/27/11
05/06/10 12/19/11
05/19/10 12/19/11
05/20/10 12/19/11
08/19/10 12/19/11
08/20/10 12/19/11

UNITS PROCEEDS TAX COST SHORT
N 100.000 4,781.91 4,999.58- 217.67-
N 100.000 4,772.91 4,901.84- 128.93-
N 100.000 5,197.90 4,901.84- 296.06
N 100.000 5,419.00 4,901.84- 517.16
N 100.000 5,419.01 4,801.17- 617.84
N 100.000 5,419.00 4,697.05- 721.95
N 100.000 5,419.01 4,918.99- 500.02
N 100.000 5,419.00 4,918.96- 500.04

800.000 41,847.74 39,041.27- 346.60-
----- 3,153.07

AUTOMATIC DATA PROCESSING INC
COM

08/09/04 01/03/11
02/09/05 01/03/11
02/09/05 03/23/11
02/09/05 06/09/11
02/09/05 06/27/11
02/09/05 11/29/11
02/09/05 12/19/11
02/10/05 12/19/11
02/18/05 12/19/11
02/28/05 12/19/11
01/27/06 12/19/11
06/27/07 12/19/11
01/23/08 12/19/11
02/05/08 12/19/11
02/06/08 12/19/11
02/27/08 12/19/11
02/28/08 12/19/11

UNITS PROCEEDS TAX COST SHORT
N 100.000 4,702.92 3,500.35- 1,202.57
N 100.000 4,702.92 3,879.58- 823.34
N 200.000 9,940.47 7,759.17- 2,181.30
N 200.000 10,581.79 7,759.17- 2,822.62
N 100.000 5,166.97 3,879.59- 1,287.38
N 200.000 9,709.81 7,759.17- 1,950.64
N 100.000 5,126.43 3,879.58- 1,246.85
N 100.000 5,126.43 3,850.03- 1,276.40
N 100.000 5,126.43 3,798.44- 1,327.99
N 200.000 10,252.86 7,744.43- 2,508.43
N 100.000 5,126.43 4,016.64- 1,109.79
N 200.000 10,252.86 9,558.00- 694.86
N 300.000 15,379.30 11,494.74- 3,884.56
N 100.000 5,126.43 3,868.77- 1,257.66
N 100.000 5,126.43 3,802.44- 1,323.99
N 100.000 5,126.44 4,087.19- 1,039.25
N 100.000 5,126.43 4,040.15- 1,086.28

2,400.000 121,701.35 94,677.44- 27,023.91

AVON PRODS INC
COM

08/07/08 01/03/11
08/07/08 03/23/11
08/09/08 03/23/11
09/04/08 06/27/11
09/17/08 06/27/11
09/17/08 10/12/11
09/18/08 10/13/11
09/18/08 10/14/11
09/29/08 10/14/11
09/29/08 10/18/11
07/16/10 10/19/11
10/28/10 10/20/11
10/29/10 10/21/11
11/01/10 10/24/11
11/02/10 10/27/11
11/03/10 10/27/11

UNITS PROCEEDS TAX COST SHORT
N 300.000 8,918.84 12,927.27- 4,008.43-
N 100.000 2,683.62 4,309.09- 1,625.47-
C 100.000 2,683.62 4,295.24- 1,611.62-
N 100.000 2,746.95 4,297.68- 1,550.73-
N 100.000 2,746.94 3,939.11- 1,192.17-
N 300.000 6,607.01 11,817.33- 5,210.32-
N 100.000 2,202.72 3,922.94- 1,720.22-
N 200.000 2,213.90 3,922.94- 1,709.04-
N 100.000 4,427.79 8,080.92- 3,653.13-
N 100.000 2,256.74 4,040.46- 1,783.72-
N 100.000 2,269.40 2,898.52- 629.12-
N 100.000 2,259.70 2,951.77- 692.07-
N 100.000 2,331.89 3,001.55- 669.66-
N 100.000 2,370.33 2,927.33- 557.00-
N 100.000 1,885.68 2,896.07- 1,010.39-
N 100.000 1,885.69 2,874.51- 988.82-

3,000.000 27,023.91 4,008.43- 4,008.43-

BANK 41 NEW YORK
 REGION 01 NEW YORK CITY
 OFFICE 100 NEW YORK CITY

GAIN/LOSS DETAIL REPORT
 ACCOUNT 5860356 BLUE MOUNTAIN CENTER
 FROM: 01/01/11 TO: 12/31/11

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GAIN / LOSS INFORMATION

 FEDERAL

 SHORT LONG DSALW LOSS

ACQUISITION TRANSACTION
 DATE DATE

ACQUISITION TRANSACTION DATE	DATE	UNITS	PROCEEDS	TAX COST	SHORT	LONG	DSALW LOSS
AVON PRODS INC (CONT'D)	11/10/10 10/27/11	N 100.000	1,885.68	2,853.34	967.66	.00	.00
		2,200.000	52,376.50	81,956.07	4,885.60	24,693.97	.00
BERKSHIRE HATHAWAY INC DEL		N 50.000	4,015.93	4,135.12	.00	119.19	.00
NEW CL B COM	06/19/08	N 50.000	4,015.93	4,135.12	.00	119.19	.00
	07/18/08	N 50.000	3,910.04	3,910.04	.00	105.89	.00
	07/18/08	N 200.000	14,750.28	15,640.16	.00	889.88	.00
	10/17/11	C 100.000	7,375.14	7,296.95	78.19	.00	.00
	11/23/11	C 100.000	7,375.13	7,340.63	34.50	.00	.00
		500.000	37,532.41	38,322.90	112.69	903.18	.00
COCA COLA CO		N 100.000	6,513.88	4,141.01	.00	2,372.87	.00
COM	03/22/05	N 100.000	6,406.38	4,119.80	.00	2,286.58	.00
	03/23/11	N 100.000	6,508.87	4,143.59	.00	2,365.28	.00
	04/04/05	N 100.000	6,552.20	4,212.64	.00	2,339.56	.00
	04/13/05	N 100.000	7,005.73	4,072.97	.00	2,932.76	.00
	02/03/06	N 100.000	6,610.87	4,078.93	.00	2,531.94	.00
	02/08/06	N 100.000	6,727.79	5,490.89	.00	1,236.90	.00
	06/13/08	N 200.000	13,455.58	10,857.98	.00	2,597.60	.00
	06/16/08	N 300.000	20,183.37	16,023.48	.00	4,159.89	.00
	06/26/08	N 200.000	13,455.58	9,985.26	.00	3,470.32	.00
	07/11/08	1,400.000	93,420.25	67,126.55	.00	26,293.70	.00
CONOCOPHILLIPS		N 200.000	13,598.93	8,836.44	.00	4,762.49	.00
COM	06/12/09	N 100.000	6,757.99	4,418.22	.00	2,339.77	.00
	08/03/11	C 100.000	6,775.86	6,973.68	197.82	.00	.00
	08/03/11	C 100.000	6,784.07	6,973.68	189.61	.00	.00
	08/04/11	C 100.000	6,784.07	6,760.41	23.66	.00	.00
	08/08/11	C 100.000	6,784.06	6,362.24	421.82	.00	.00
		700.000	47,484.98	40,324.67	58.05	7,102.26	.00
DISNEY WALT CO		N 200.000	7,567.87	6,706.98	.00	860.89	.00
COM	11/07/07	N 38.000	1,596.86	1,274.33	.00	322.53	.00
	11/07/07	N 162.000	6,807.64	5,306.84	.00	1,500.80	.00
	11/09/07	N 162.000	1,447.39	1,244.82	.00	202.57	.00
	11/12/07	N 162.000	6,170.46	5,247.28	.00	923.18	.00
	11/12/07	N 200.000	6,801.86	6,478.12	.00	323.74	.00
	11/12/07	N 38.000	1,314.97	1,230.84	.00	84.13	.00
	11/14/07	N 200.000	6,920.89	6,387.40	.00	533.49	.00
	01/23/08	N 100.000	3,460.44	2,735.32	.00	725.12	.00
	03/26/08	N 500.000	17,502.21	15,856.25	.00	1,645.96	.00
	03/28/08	N 300.000	10,381.33	9,369.60	.00	1,011.73	.00
	06/26/08	N 400.000	13,841.77	12,676.20	.00	1,165.57	.00

BANK 41 NEW YORK
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GAIN / LOSS INFORMATION
 FEDERAL LONG DSALW LOSS
 SHORT

ACQUISITION TRANSACTION DATE DATE

ACQUISITION TRANSACTION DATE	DATE	UNITS	PROCEEDS	TAX COST	SHORT	LONG	DSALW LOSS
DISNEY WALT CO (CONT'D)							
07/11/08	12/19/11	N 300.000	10,381.33	8,729.13	.00	1,652.20	.00
		2,638.000	93,995.02	83,243.11	.00	10,751.91	.00
GENERAL ELEC CO							
11/17/03	01/03/11	N 100.000	1,822.96	2,752.92	.00	929.96	.00
04/06/04	06/27/11	N 200.000	3,627.93	6,288.00	.00	2,660.07	.00
04/06/04	11/29/11	N 200.000	2,965.94	6,288.00	.00	3,322.06	.00
04/06/04	12/19/11	N 100.000	1,680.27	3,144.00	.00	1,463.73	.00
05/12/04	12/19/11	N 100.000	1,680.27	2,980.00	.00	1,299.73	.00
09/14/04	12/19/11	N 300.000	5,040.80	10,110.00	.00	5,069.20	.00
09/24/04	12/19/11	N 300.000	5,040.80	10,016.49	.00	4,975.69	.00
09/27/04	12/19/11	N 100.000	1,680.27	3,315.77	.00	1,635.50	.00
01/27/06	12/19/11	N 100.000	1,680.27	3,287.61	.00	1,607.34	.00
03/16/11	12/19/11	C 100.000	1,680.26	1,900.68	220.42	.00	.00
		1,600.000	26,899.77	50,083.47	220.42	22,963.28	.00
GOLDMAN SACHS GROUP INC							
09/27/04	01/03/11	N 100.000	17,278.70	9,269.27	.00	8,009.43	.00
09/15/08	03/23/11	N 100.000	15,970.69	13,544.05	.00	2,426.64	.00
01/21/10	06/27/11	N 100.000	13,051.64	15,867.23	.00	2,815.59	.00
02/25/10	10/26/11	N 100.000	10,357.93	15,522.66	.00	5,164.73	.00
05/17/10	11/29/11	N 100.000	8,915.82	13,889.42	.00	4,973.60	.00
06/08/10	12/19/11	N 100.000	8,695.89	13,601.89	.00	4,906.00	.00
04/14/11	12/19/11	C 100.000	8,695.89	15,584.92	6,889.03	.00	.00
		700.000	82,966.56	97,279.44	6,889.03	7,423.85	.00
INTERNATIONAL BUSINESS MACHS							
03/11/05	01/03/11	N 100.000	14,743.75	9,141.65	.00	5,602.10	.00
03/16/05	03/23/11	N 100.000	15,886.69	9,061.39	.00	6,825.30	.00
03/18/05	04/27/11	N 100.000	16,987.27	8,939.95	.00	8,047.32	.00
04/04/05	06/27/11	N 100.000	16,698.50	9,010.47	.00	7,688.03	.00
04/05/05	09/16/11	N 100.000	17,213.18	8,963.30	.00	8,249.88	.00
04/06/05	11/29/11	N 100.000	18,115.65	8,914.89	.00	9,200.76	.00
04/06/05	12/19/11	N 100.000	18,260.16	8,914.89	.00	9,345.27	.00
04/08/05	12/19/11	N 100.000	18,260.16	8,789.82	.00	9,470.34	.00
04/13/05	12/19/11	N 100.000	18,260.16	8,450.95	.00	9,809.21	.00
02/03/06	12/19/11	N 100.000	18,260.15	8,003.36	.00	10,256.79	.00
		1,000.000	172,685.67	88,190.67	.00	84,495.00	.00

BANK 41 NEW YORK
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 DATE DATE

GAIN / LOSS INFORMATION
 ----- F E D E R A L -----
 SHORT LONG DSALW LOSS

JOHNSON & JOHNSON
 COM

ACQUISITION DATE	TRANSACTION DATE	UNITS	PROCEEDS	TAX COST	SHORT	LONG	DSALW LOSS
02/19/04	01/03/11	100.000	6,277.89	5,371.53	.00	906.36	.00
02/19/04	03/23/11	200.000	11,729.77	10,743.06	.00	986.71	.00
02/19/04	06/27/11	100.000	6,535.87	5,371.53	.00	1,164.34	.00
02/19/04	11/29/11	200.000	12,547.75	10,743.06	.00	1,804.69	.00
02/19/04	12/19/11	700.000	44,381.95	37,600.71	.00	6,781.24	.00
02/03/06	12/19/11	100.000	6,340.28	5,730.05	.00	610.23	.00
03/09/06	12/19/11	100.000	6,340.28	5,838.32	.00	501.96	.00
03/27/07	12/19/11	100.000	6,340.27	6,009.16	.00	331.11	.00
1,600.000 100,494.06 87,407.42					.00	13,086.64	.00

LOWES COS INC
 COM

03/06/08	01/03/11	100.000	2,514.96	2,287.90	.00	227.06	.00
03/08/08	01/03/11	200.000	5,029.91	4,683.05	.00	346.86	.00
03/14/08	01/03/11	100.000	2,514.95	2,085.22	.00	429.73	.00
03/25/08	03/23/11	400.000	10,682.19	9,477.60	.00	1,204.59	.00
03/26/08	06/27/11	300.000	6,982.09	6,931.95	.00	50.14	.00
03/26/08	11/29/11	100.000	2,400.95	2,310.65	.00	90.30	.00
03/26/08	11/29/11	100.000	2,400.96	2,266.07	.00	134.89	.00
03/28/08	11/29/11	100.000	2,400.95	2,282.82	.00	118.13	.00
03/28/08	12/19/11	600.000	14,769.07	13,696.92	.00	1,072.15	.00
05/20/08	12/19/11	400.000	9,846.05	9,515.64	.00	330.41	.00
05/21/08	12/19/11	200.000	4,923.03	4,674.54	.00	248.49	.00
05/23/08	12/19/11	100.000	2,461.51	2,330.69	.00	130.82	.00
05/27/08	12/19/11	100.000	2,461.51	2,324.01	.00	137.50	.00
06/03/08	12/19/11	100.000	2,461.51	2,378.60	.00	82.91	.00
06/11/08	12/19/11	100.000	2,461.51	2,290.78	.00	170.73	.00
06/20/08	12/19/11	400.000	9,846.05	9,144.00	.00	702.05	.00
05/15/09	12/19/11	100.000	2,461.51	1,845.61	.00	615.90	.00
07/16/10	12/19/11	200.000	4,923.03	4,045.50	.00	877.53	.00
08/10/10	12/19/11	100.000	2,461.51	1,996.09	.00	465.42	.00
08/12/10	12/19/11	100.000	2,461.52	1,967.98	.00	493.54	.00
08/02/11	12/19/11	100.000	2,461.51	2,077.67	.00	.00	.00
4,000.000 98,926.28 90,613.29					383.84	7,929.15	.00

MEDTRONIC INC
 COM

02/02/11	06/27/11	100.000	3,865.92	3,819.67	46.25	.00	.00
02/02/11	06/29/11	200.000	7,614.71	7,639.34	24.63	.00	.00
02/22/11	06/29/11	100.000	3,807.36	4,018.32	210.96	.00	.00
02/23/11	06/29/11	200.000	7,614.71	7,909.18	294.47	.00	.00
03/02/11	06/29/11	100.000	3,807.36	3,856.24	48.88	.00	.00
03/10/11	06/29/11	100.000	3,807.36	3,873.44	66.08	.00	.00
03/11/11	06/29/11	100.000	3,807.36	3,807.38	.02	.00	.00

BANK 41 NEW YORK
 REGION 01 NEW YORK CITY
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GAIN/LOSS DETAIL REPORT
 ACCOUNT 5860356 BLUE MOUNTAIN CENTER
 FROM: 01/01/11 TO: 12/31/11

REPORT: TMS-TX-23
 PAGE: 5
 RUN DATE: 09/19/12

ACQUISITION TRANSACTION DATE

GAIN / LOSS INFORMATION
 FEDERAL LONG DSALW LOSS

ACQUISITION DATE	TRANSACTION DATE	UNITS	PROCEEDS	TAX COST	SHORT	LONG	DSALW LOSS
MEDTRONIC INC (CONT'D)							
03/16/11	06/29/11	C	100.000	3,678.97-	128.38	.00	.00
			1,000.000	38,602.54-	470.41-	.00	.00
MICROSOFT CORP							
03/16/05	01/03/11	N	200.000	4,943.90-	.00	644.00	.00
03/18/05	03/23/11	N	300.000	7,321.35-	.00	271.50	.00
03/18/05	06/27/11	N	100.000	2,440.45-	.00	54.67	.00
03/21/05	06/27/11	N	100.000	2,495.12	.00	67.78	.00
03/21/05	11/29/11	N	200.000	4,955.90	.00	101.22	.00
04/04/05	11/29/11	N	200.000	4,819.60-	.00	136.30	.00
04/04/05	12/19/11	N	300.000	7,634.43	.00	405.03	.00
04/13/05	12/19/11	N	100.000	2,544.81	.00	35.60	.00
06/05/06	12/19/11	N	700.000	17,813.68	.00	2,028.68	.00
02/27/08	12/19/11	N	400.000	10,179.25	.00	1,107.63-	.00
02/28/08	12/19/11	N	400.000	10,179.24	.00	1,025.76-	.00
			3,000.000	74,822.81-	.00	1,611.39	.00
PEPSICO INC							
02/01/00	01/03/11	N	100.000	3,398.75-	.00	3,168.13	.00
02/01/00	03/23/11	N	100.000	3,398.75-	.00	3,004.13	.00
02/01/00	12/19/11	N	500.000	16,993.75-	.00	15,156.33	.00
06/16/08	12/19/11	N	200.000	12,860.03	.00	258.15-	.00
11/14/11	12/19/11	C	100.000	6,430.02	154.30	.00	.00
11/23/11	12/19/11	C	100.000	6,430.01	175.65	.00	.00
			1,100.000	70,839.90	329.95	21,070.44	.00
PROCTER & GAMBLE CO							
10/30/07	01/03/11	N	100.000	6,899.35-	.00	441.46-	.00
10/30/07	03/23/11	N	100.000	6,899.35-	.00	834.46-	.00
02/27/08	03/23/11	N	100.000	6,064.88	.00	666.48-	.00
02/27/08	06/27/11	N	200.000	12,619.75	.00	842.97-	.00
02/28/08	11/29/11	N	200.000	12,493.75	.00	883.49-	.00
04/17/08	12/19/11	N	200.000	12,943.63	.00	569.85-	.00
04/18/08	12/19/11	N	100.000	6,471.82	.00	244.12-	.00
06/26/08	12/19/11	N	500.000	32,359.07	.00	1,039.57	.00
05/01/09	12/19/11	N	100.000	6,471.82	.00	1,572.48	.00
08/05/09	12/19/11	N	100.000	6,471.81	.00	1,110.18	.00
08/06/09	12/19/11	N	200.000	12,943.63	.00	2,561.13	.00
			1,900.000	121,362.94	.00	1,800.53	.00

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GAIN / LOSS INFORMATION
 ----- F E D E R A L -----
 SHORT LONG DSALW LOSS

SCHLUMBERGER LTD
 COM

NETHERLANDS ANTILLES
 10/27/08 01/03/11
 10/27/08 03/23/11
 11/05/08 06/27/11
 11/05/08 11/29/11
 11/12/08 12/19/11
 11/19/08 12/19/11
 11/20/08 12/19/11
 03/02/09 12/19/11
 04/11/11 12/19/11
 04/12/11 12/19/11
 05/05/11 12/19/11
 08/18/11 12/19/11
 09/21/11 12/19/11

	UNITS	PROCEEDS	TAX COST	SHORT	LONG	DSALW LOSS
N	100.000	8,351.85	4,474.84-	.00	3,877.01	.00
N	100.000	8,828.83	4,474.84-	.00	4,353.99	.00
N	100.000	8,071.84	5,040.63-	.00	3,031.21	.00
N	100.000	7,046.86	4,788.71-	.00	2,258.15	.00
N	100.000	6,508.54	4,510.44-	.00	1,998.10	.00
N	100.000	6,508.55	4,751.80-	.00	1,756.75	.00
N	100.000	6,508.54	4,149.44-	.00	2,359.10	.00
N	100.000	6,508.55	3,591.92-	.00	2,916.63	.00
C	100.000	6,508.54	8,921.10-	2,412.56-	.00	.00
C	100.000	6,508.55	8,577.38-	2,068.83-	.00	.00
C	100.000	6,508.54	8,313.01-	1,804.47-	.00	.00
C	100.000	6,508.55	7,430.54-	921.99-	.00	.00
C	100.000	6,508.54	6,651.69-	143.15-	.00	.00
	1,300.000	90,876.28	75,676.34-	7,351.00-	22,550.94	.00

STRYKER CORP
 COM

07/28/10 01/03/11
 07/29/10 01/11/11
 08/11/10 01/11/11
 08/19/10 01/11/11
 08/20/10 01/14/11
 08/20/10 01/18/11
 08/24/10 02/08/11
 08/26/10 02/10/11
 08/31/10 02/18/11
 12/08/11 12/19/11
 12/12/11 12/19/11
 12/13/11 12/19/11
 12/16/11 12/19/11

	UNITS	PROCEEDS	TAX COST	SHORT	LONG	DSALW LOSS
N	100.000	5,465.90	4,689.51-	776.39	.00	.00
N	100.000	5,777.21	4,617.15-	1,160.06	.00	.00
N	200.000	11,554.42	9,322.56-	2,231.86	.00	.00
N	100.000	5,777.21	4,585.89-	1,191.32	.00	.00
N	100.000	5,779.43	4,536.79-	1,242.64	.00	.00
N	100.000	5,837.11	4,536.79-	1,300.32	.00	.00
N	100.000	5,977.02	4,366.67-	1,610.35	.00	.00
N	100.000	6,013.05	4,305.42-	1,707.63	.00	.00
N	100.000	6,262.98	4,319.49-	1,943.49	.00	.00
C	100.000	4,563.91	4,726.06-	162.15-	.00	.00
C	100.000	4,563.91	4,709.33-	145.42-	.00	.00
C	100.000	4,563.91	4,690.67-	126.76-	.00	.00
C	100.000	4,563.91	4,614.82-	50.91-	.00	.00
	1,400.000	76,699.97	64,021.15-	12,678.82	.00	.00

3M CO
 COM

09/04/08 06/27/11
 09/17/08 06/27/11
 09/29/08 11/29/11
 09/29/08 12/19/11
 10/06/08 12/19/11
 02/25/10 12/19/11
 01/06/11 12/19/11
 02/01/11 12/19/11
 03/16/11 12/19/11
 07/26/11 12/19/11

	UNITS	PROCEEDS	TAX COST	SHORT	LONG	DSALW LOSS
N	100.000	9,208.72	6,972.45-	.00	2,236.27	.00
N	100.000	9,208.72	6,884.36-	.00	2,324.36	.00
N	100.000	7,713.85	6,668.96-	.00	1,044.89	.00
N	200.000	15,537.20	13,337.92-	.00	2,199.28	.00
N	100.000	7,768.60	6,156.72-	.00	1,611.88	.00
N	100.000	7,768.60	7,903.75-	.00	135.15-	.00
C	100.000	7,768.60	8,594.19-	825.59-	.00	.00
C	100.000	7,768.60	8,782.15-	1,013.55-	.00	.00
C	100.000	7,768.60	8,753.00-	984.40-	.00	.00
C	100.000	7,768.60	9,037.49-	1,268.89-	.00	.00

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GAIN / LOSS INFORMATION

 FEDERAL

 SHORT

 LONG

 DSALW LOSS

ACQUISITION TRANSACTION
 DATE DATE

ACQUISITION DATE	TRANSACTION DATE	UNITS	PROCEEDS	TAX COST	SHORT	LONG	DSALW LOSS
3M CO (CONT'D)							
11/01/11	12/19/11	C 100.000	7,768.60	7,671.89-	96.71	.00	.00
		1,200.000	96,048.69	90,762.88-	3,995.72-	9,281.53	.00
WELLS FARGO & CO NEW COM							
02/01/00	01/03/11	N 100.000	3,143.94	2,025.35-	.00	1,118.59	.00
02/01/00	03/23/11	N 200.000	6,256.54	4,050.69-	.00	2,205.85	.00
02/01/00	06/27/11	N 100.000	2,755.88	2,025.34-	.00	730.54	.00
02/01/00	11/29/11	N 200.000	4,823.90	4,050.69-	.00	773.21	.00
02/01/00	12/19/11	N 1,000.000	25,149.81	20,253.45-	.00	4,896.36	.00
02/22/11	12/19/11	C 200.000	5,029.96	6,277.68-	1,247.72-	.00	.00
04/21/11	12/19/11	C 100.000	2,514.98	2,857.87-	342.89-	.00	.00
06/01/11	12/19/11	C 200.000	5,029.97	5,439.14-	409.17-	.00	.00
06/06/11	12/19/11	C 100.000	2,514.98	2,628.39-	113.41-	.00	.00
06/10/11	12/19/11	C 100.000	2,514.98	2,575.36-	60.38-	.00	.00
08/08/11	12/19/11	C 100.000	2,514.98	2,383.08-	131.90	.00	.00
10/17/11	12/19/11	C 200.000	5,029.97	4,952.16-	77.81	.00	.00
11/01/11	12/19/11	C 100.000	2,514.98	2,512.47-	2.51	.00	.00
		2,700.000	69,794.87	62,031.67-	1,961.35-	9,724.55	.00
		33,138.000	1610,519.57	1433,185.60-	12,556.77-	189,890.74	.00

Other
 1336.14
 191221.88

FED SHORT TERM GAIN/LOSS FOR PERIOD REQUESTED 12,556.77-
 FED DISALLOW LOSS FOR PERIOD REQUESTED .00
 FED LONG TERM GAIN/LOSS FOR PERIOD REQUESTED 189,890.74
 NET GAIN/LOSS FOR PERIOD REQUESTED 177,333.97
 CARRYOVER LOSS .00
 TOTAL GAIN/LOSS FOR PERIOD REQUESTED 177,333.97

(THIS FIGURE MAY NOT ACCURATELY REFLECT CARRYOVER LOSS)

SCHEDULE 5

PART II line 13

OTHER INVESTMENTS

	BEGINNING	ENDING
MONEY MARKET	\$ 519,396	\$ 1,414,614
MUTUAL FUNDS	2,713,533	2,454,948
ACCRUED INTEREST	-	2,443
PARTNERSHIP INVESTMENTS	34,776	4,477,538
COMMUNITY TRUST	-	10,000
	<u>\$ 3,267,705</u>	<u>\$ 8,359,543</u>

SCHEDULE 6

22-2370485

PART 11 line 14

BLUE MOUNTAIN CENTER
GENERAL DEPRECIATION
December 31, 2011

Asset Description	Date Placed in Service	Cost	Method	Convention	Life	Accumulated Depreciation 2010	Depreciation 2011	Accumulated Depreciation 2011
Studio	12/31/1991	2,500	SL	HY	31 5	1,343	79	1,422
Leasehold Improvements	7/1/1991	25,922	SL	HY	31 5	16,069	823	16,892
Leasehold Improvements	11/1/1990	8,176	SL	HY	31 5	5,232	260	5,492
Leasehold Improvements	7/1/1992	8,907	SL	HY	31 5	5,248	283	5,531
Studio	7/1/1984	11,261	SL	HY	20	11,261	-	11,261
Leasehold Improvements	7/1/1984	1,554	SL	HY	20	1,554	-	1,554
Studio	11/1/1993	2,461	SL	HY	31 5	1,449	78	1,527
Leasehold Improvements	9/1/1993	1,300	SL	HY	31.5	709	41	750
Leasehold Improvements	5/1/1994	3,961	SL	HY	31.5	2,190	270	2,460
Studio	4/1/1994	8,500	SL	HY	31.5	4,407	270	4,677
Studio	5/1/1994	8,350	SL	HY	31 5	3,934	265	4,199
Studio	6/1/1994	4,737	SL	HY	31 5	2,226	150	2,376
Studio	8/1/1994	1,586	SL	HY	31 5	746	50	796
Studio	9/1/1994	808	SL	HY	31 5	386	26	412
Leasehold Improvements	6/15/1996	18,302	SL	HY	31 5	8,473	581	9,054
Leasehold Improvements	6/1/1997	67,571	SL	HY	31 5	29,136	2,145	31,281
Leasehold Improvements	7/1/1997	9,750	SL	HY	31 5	6,820	310	7,130
Shower	4/1/2000	606	SL	HY	31 5	201	19	220
Flooring	5/1/2000	1,369	SL	HY	31 5	452	43	495
Flooring	12/1/2000	1,899	SL	HY	31 5	602	60	662
Cabin	12/31/2000	1,622	SL	HY	31 5	512	51	563
Leasehold Improvements	2/28/2001	12,565	SL	HY	31 5	3,923	399	4,322
Leasehold Improvements	3/16/2001	13,773	SL	HY	31 5	4,261	437	4,698
Leasehold Improvements	3/29/2001	27,332	SL	HY	31 5	8,458	867	9,325
Leasehold Improvements	4/20/2001	25,166	SL	HY	31.5	7,724	799	8,523
Leasehold Improvements	6/22/2001	1,009	SL	HY	31 5	304	32	336
Leasehold Improvements	6/5/2001	223	SL	HY	31 5	67	7	74
Leasehold Improvements	12/16/2001	1,414	SL	HY	31 5	405	45	450
Town House	6/12/2001	77,600	SL	HY	31 5	23,609	2,464	26,073
Leasehold Improvements	6/26/2001	1,647	SL	HY	31 5	494	52	546
Leasehold Improvements	8/18/2001	6,068	SL	HY	31 5	1,801	193	1,994
Flooring	10/1/1999	15,866	SL	HY	31 5	6,048	504	6,552
Leasehold Improvements	7/1/2003	109,362	SL	HY	31 5	25,351	3,472	28,823
Alarm System	6/30/2005	2,334	MSL	HY	5	2,569	(235)	2,334
Boiler	11/17/2005	5,025	MSL	HY	10	2,515	503	3,018
Beds	7/1/2006	2,372	MACRS	HY	5	2,133	239	2,372
Roof	10/1/2006	11,244	MACRS	HY	31 5	1,606	357	1,963
Stable Roof	7/20/2007	4,750		HY	31 5	604	151	755
Apt Renovation	8/17/2007	38,993		HY	31 5	4,952	1,238	6,190
Auto	5/25/2001	20,594	150DB	HY	5	20,594		20,594
Video Projector	8/26/2008	3,486	SL	HY	5	1,745	698	2,443
Volvo	10/31/2009	12,436	SL	HY	5	3,731	2,487	6,218
Wel-Dun* Water purification system		3,174	SL	HY	5	1,443	1,126	2,569
Leasehold Improvements		1,000		HY		1,000		1,000
Wel-Dun* water system	4/1/2010	2,456	SL	HY	5		246	246
Mac Computer	6/20/2011	2,085	SL	HY	3		348	348
New Bndge	4/18/2011	40,000	SL	HY	31 5		635	635
Laundry renovation	6/7/2011	7,682	SL	HY	5		154	154
Total 2011 Depreciable Assets		640,798					23,022	251,309

Land 283,000

Total Fixed assets 923,798

<251,309>

PP&E, net

\$ 672,489