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

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

2012

For calendar year 2012 or tax year beginning

, and ending

Name of foundation

MORSMAN FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)

4011 E VALLEY ROAD

A Employer identification number

41-2008689

B Telephone number
(952) 476-4919

City or town, state, and ZIP code

DEEPHAVEN, MN 55391

C If exemption application is pending, check here ►

G Check all that apply: Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name changeH Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundationI Fair market value of all assets at end of year **► \$ 425,460.** (from Part II, col. (c), line 16) J Accounting method: Cash Accrual
 Other (specify) _____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 ►

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		13,676.	13,676.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		537.			
b Gross sales price for all assets on line 6a	15,394.				
7 Capital gain net income (from Part IV, line 2)		537.			
8 Net short-term capital gain					
9 Income modifications.					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					STATEMENT 2
12 Total. Add lines 1 through 11		14,604.	14,604.		
13 Compensation of officers, directors, trustees, etc		0.	0.	0.	
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees	STMT 3	1,150.	0.	1,150.	
c Other professional fees	STMT 4	4,327.	4,327.	0.	
17 Interest					
18 Taxes	STMT 5	371.	77.	0.	
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses	STMT 6	79.	0.	79.	
24 Total operating and administrative expenses. Add lines 13 through 23		5,927.	4,404.	1,229.	
25 Contributions, gifts, grants paid		18,200.		18,200.	
26 Total expenses and disbursements. Add lines 24 and 25		24,127.	4,404.	19,429.	
27 Subtract line 26 from line 12:		<9,523.►			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			10,200.		
c Adjusted net income (if negative, enter -0-)				N/A	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing				
	2 Savings and temporary cash investments		26,174.	4,831.	4,831.
	3 Accounts receivable ►				
	Less: allowance for doubtful accounts ►				
	4 Pledges receivable ►				
	Less: allowance for doubtful accounts ►				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons				
	7 Other notes and loans receivable ►				
	Less: allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments - U.S. and state government obligations				
	b Investments - corporate stock	STMT 7	307,520.	329,496.	410,541.
	c Investments - corporate bonds	STMT 8	20,078.	9,922.	10,088.
	11 Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other				
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ►)				
	16 Total assets (to be completed by all filers)		353,772.	344,249.	425,460.
Liabilities	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable				
	22 Other liabilities (describe ►)				
	23 Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds		353,772.	344,249.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds		0.	0.	
	30 Total net assets or fund balances		353,772.	344,249.	
	31 Total liabilities and net assets/fund balances		353,772.	344,249.	

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	353,772.
2 Enter amount from Part I, line 27a	2	<9,523. >
3 Other increases not included in line 2 (itemize) ►	3	0.
4 Add lines 1, 2, and 3	4	344,249.
5 Decreases not included in line 2 (itemize) ►	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	344,249.

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 PUBLICLY TRADED SECURITIES		P		
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 15,394.		14,857.	537.	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a			537.	
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	537.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	{ }		3	N/A

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

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

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

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

 Yes NoIf "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))
2011	18,675.	404,263.	.046195
2010	15,825.	365,644.	.043280
2009	22,084.	323,962.	.068168
2008	24,435.	417,837.	.058480
2007	22,809.	495,307.	.046050

2 Total of line 1, column (d)

2 .262173

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 .052435

4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5

4 414,904.

5 Multiply line 4 by line 3

5 21,755.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 102.

7 Add lines 5 and 6

7 21,857.

8 Enter qualifying distributions from Part XII, line 4

8 19,429.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1.	Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)	1	204.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
3 Add lines 1 and 2	2	0.	
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	3	204.	
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	4	0.	
6 Credits/Payments:	5	204.	
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	0.	
b Exempt foreign organizations - tax withheld at source	6b	0.	
c Tax paid with application for extension of time to file (Form 8868)	6c	0.	
d Backup withholding erroneously withheld	6d	0.	
7 Total credits and payments. Add lines 6a through 6d	7	0.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	204.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0.	
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax ►	11	Refunded ► 0.	

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?	Yes	No
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>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.</i>	1a	X
1c Did the foundation file Form 1120-POL for this year?	1b	X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ 0. (2) On foundation managers. ► \$ 0.	1c	X
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ 0.	2	X
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	3	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? <i>If "Yes," attach a conformed copy of the changes</i>	4a	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	X
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	5	X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	N/A	X
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	6	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► _____ MN	7	X
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? <i>If "No," attach explanation</i>	8b	X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	X

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	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	<input checked="" type="checkbox"/>
14	The books are in care of ► EDGAR MORSMAN JR Located at ► 4011 E VALLEY RD, DEEPHAVEN, MN	Telephone no. ► (952) 476-4919 ZIP+4 ► 55391	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	<input checked="" type="checkbox"/> N/A
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input 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 instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A ► <input type="checkbox"/>	1b
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 2012?		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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	2b
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b	If "Yes," did it have excess business holdings in 2012 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 2012.)	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 2012?		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))?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No		
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No		
(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	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)?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	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?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No		
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?			N/A	5b		
Organizations relying on a current notice regarding disaster assistance check here			<input checked="" type="checkbox"/>			
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			
If "Yes," attach the statement required by Regulations section 53.4945-5(d)			<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	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?			<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?			<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
			N/A			7b

Part VIII | Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 9		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

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

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

 0

Form 990-PF (2012)

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**
3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

Total number of others receiving over \$50,000 for professional services



0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Expenses

1	N/A	
2		
3		
4		

Part IX-B **Summary of Program-Related Investments**

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

Amount

1	N/A	
2		
3	All other program-related investments. See instructions.	
Total. Add lines 1 through 3		0.

Form 990-PF (2012)

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 410,775.
b	Average of monthly cash balances	1b 10,447.
c	Fair market value of all other assets	1c
d	Total (add lines 1a, b, and c)	1d 421,222.
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	3 421,222.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4 6,318.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 414,904.
6	Minimum investment return. Enter 5% of line 5	6 20,745.

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 20,745.
2a	Tax on investment income for 2012 from Part VI, line 5	2a 204.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 204.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 20,541.
4	Recoveries of amounts treated as qualifying distributions	4 0.
5	Add lines 3 and 4	5 20,541.
6	Deduction from distributable amount (see instructions)	6 0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7 20,541.

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 19,429.
b	Program-related investments - total from Part IX-B	1b 0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2
3	Amounts set aside for specific charitable projects that satisfy the:	
a	Suitability test (prior IRS approval required)	3a
b	Cash distribution test (attach the required schedule)	3b
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4 19,429.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5 0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 19,429.

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				20,541.
2 Undistributed income, if any, as of the end of 2012			17,933.	
a Enter amount for 2011 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 19,429.			17,933.	
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				1,496.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				19,045.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, 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)

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).)

SEE STATEMENT 10

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 or e-mail of the person to whom applications should be addressed:

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

c. Any submission deadlines:

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

Part XV. Supplementary Information (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
BRADFORD BRINTON MEMORIAL AND MUSEUM PO BOX 460 <u>BIG HORN, WY 82833</u>	NONE	PUBLIC CHARITY	ART AND HISTORICAL MUSEUM	850.
AMHERST H. WILDER FOUNDATION 451 LEXINGTON PARKWAY NORTH ST. PAUL, MN 55104	NONE	PUBLIC CHARITY	ASSISTS VULNERABLE PEOPLE THROUGH SERVICES, RESEARCH, AND AID.	500.
COLORADO ENVIRONMENTAL COALITION 1536 WYNKOOP, #5C <u>DENVER, CO 80202</u>	NONE	PUBLIC CHARITY	GRASS ROOTS VOICE FOR CONSERVATION IN COLORADO.	866.
DUMB FRIENDS LEAGUE 2080 SOUTH QUEBEC STREET <u>DENVER, CO 80231-3298</u>	NONE	PUBLIC CHARITY	PROVIDES HOMES FOR DOGS.	867.
EMERGENCY FOOD SHELF NETWORK 8501 54TH AVENUE NORTH NEW HOPE, MN 55428	NONE	PUBLIC CHARITY	PROVIDES FOOD FOR THE POOR.	800.
Total	SEE CONTINUATION SHEET(S)			► 3a 18,200.
b Approved for future payment				
NONE				
Total				► 3b 0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

1 Program service revenue:

a
b
c
d
e
f

g Fees and contracts from government agencies

2 Membership dues and assessments

3 Interest on savings and temporary cash investments

4 Dividends and interest from securities

5 Net rental income or (loss) from real estate:

a Debt-financed property
b Not debt-financed property

6 Net rental income or (loss) from personal property

7 Other investment income

8 Gain or (loss) from sales of assets other than inventory

9 Net income or (loss) from special events

10 Gross profit or (loss) from sales of inventory

11 Other revenue:

a
b
c
d
e

12 Subtotal. Add columns (b), (d), and (e)

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

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

	Unrelated business income		(c) Exclu- sion code	(d) Amount	(e) Related or exempt function income
	(a) Business code	(b) Amount			
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities				14	13,676.
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income				14	391.
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		14,604.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	14,604.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
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MORSMAN FAMILY FOUNDATION

41-2008689

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient	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
FREEDOM SERVICE DOGS, INC 2000 WEST UNION AVENUE ENGLEWOOD, CO 80110-5567	NONE	PUBLIC CHARITY	RESCUES DOGS FROM SHELTERS, TRAINS THEM TO ASSIST PEOPLE.	867.
HABITAT FOR HUMANITY OF DENVER METRO 1500 WEST 12TH AVENUE DENVER, CO 80204-3410	NONE	PUBLIC CHARITY	LOW INCOME HOUSING	867.
MINNESOTA HOOVED ANIMAL RESCUE FOUNDATION P.O. BOX 47 ZIMMERMAN, MN 55398	NONE	PUBLIC CHARITY	RESCUES, REHABILITATES AND PLACES HORSES.	800.
MINNESOTA LAND TRUST 2356 UNIVERSITY AVE W, STE 240 ST. PAUL, MN 55114-9924	NONE	PUBLIC CHARITY	PROMOTES CONSERVATION EASEMENTS TO PROTECT LAND IN MINNESOTA.	800.
MINNESOTA PUBLIC RADIO 480 CEDER STREET ST. PAUL, MN 55101-2230	NONE	PUBLIC CHARITY	PUBLIC RADIO STATION FEATURING CLASSICAL, CONTEMPORARY MUSIC, AND NEWS.	500.
OPEN DOOR YOUTH GANG ALTERNATIVES 1615 CALIFORNIA SUITE 712 DENVER, CO 80202	NONE	PUBLIC CHARITY	WORKS AT GIVING KIDS AN ALTERNATIVE TO GANG MEMBERS.	867.
PEOPLE SERVING PEOPLE 614 3RD STREET S. MINNEAPOLIS, MN 55415-1104	NONE	PUBLIC CHARITY	HOMELESS JOBS AND SHELTER PROGRAM.	800.
PLATTE FORUM 1610 LITTLE RAVEN STREET, STE. 135 DENVER, CO 80202	NONE	PUBLIC CHARITY	INTRODUCES UNDERSERVED CHILDREN TO ART AND ARTISTS.	866.
PORLTAD ART MUSEUM 1219 S.W. PARK AVENUE PORTLAND, OR 97205	NONE	PUBLIC CHARITY	ART MUSEUM	2,600.
RAPTOR EDUCATION GROUP, INC. P.O. BOX 481 ANTIGO, WI 54409	NONE	PUBLIC CHARITY	HEALS INJURED BIRDS AND PROVIDES EDUCATION.	850.
Total from continuation sheets				14,317.

MORSMAN FAMILY FOUNDATION

41-2008689

Part XV | Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

FORM 990-PF

DIVIDENDS AND INTEREST FROM SECURITIES

STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
WELLS FARGO - DIVIDENDS	12,590.	0.	12,590.
WELLS FARGO - INTEREST INCOME	1,086.	0.	1,086.
TOTAL TO FM 990-PF, PART I, LN 4	13,676.	0.	13,676.

FORM 990-PF

OTHER INCOME

STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME	391.	391.	
TOTAL TO FORM 990-PF, PART I, LINE 11	391.	391.	

FORM 990-PF

ACCOUNTING FEES

STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION FEES	1,150.	0.		1,150.
TO FORM 990-PF, PG 1, LN 16B	1,150.	0.		1,150.

FORM 990-PF

OTHER PROFESSIONAL FEES

STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
WELLS FARGO AGENCY FEES	4,327.	4,327.		0.
TO FORM 990-PF, PG 1, LN 16C	4,327.	4,327.		0.

FORM 990-PF

TAXES

STATEMENT

5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX	294.	0.		0.
FOREIGN TAX	77.	77.		0.
TO FORM 990-PF, PG 1, LN 18	371.	77.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT

6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ANNUAL MINNESOTA FILING FEE	25.	0.		25.
MISCELLANEOUS	54.	0.		54.
TO FORM 990-PF, PG 1, LN 23	79.	0.		79.

FORM 990-PF

CORPORATE STOCK

STATEMENT

7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
PUBLICLY TRADED SECURITIES - SEE ATTACHED	329,496.	410,541.
TOTAL TO FORM 990-PF, PART II, LINE 10B	329,496.	410,541.

FORM 990-PF

CORPORATE BONDS

STATEMENT

8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
US GOVERNMENT OBLIGATIONS - SEE ATTACHED	9,922.	10,088.
TOTAL TO FORM 990-PF, PART II, LINE 10C	9,922.	10,088.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN EXPENSE CONTRIB ACCOUNT
EDGAR M. MORSMAN, JR. 4011 EAST VALLEY ROAD DEEPHAVEN, MN 55391	PRESIDENT/SECRETARY/TREASURER 0.25	0.	0.
ELIZABETH H. MORSMAN 4011 EAST VALLEY ROAD DEEPHAVEN, MN 55391	VICE PRESIDENT 0.25	0.	0.
JEFFREY H. MORSMAN 4011 EAST VALLEY ROAD DEEPHAVEN, MN 55391	VICE PRESIDENT 0.25	0.	0.
AMY S. MORSMAN 4011 EAST VALLEY ROAD DEEPHAVEN, MN 55391	DIRECTOR 0.25	0.	0.
JAMES C. MORSMAN 4011 EAST VALLEY ROAD DEEPHAVEN, MN 55391	DIRECTOR 0.25	0.	0.
TIMOTHY E. MORSMAN 4011 EAST VALLEY ROAD DEEPHAVEN, MN 55391	DIRECTOR 0.25	0.	0.
ANGELA PEYTON MORSMAN 4011 EAST VALLEY ROAD DEEPHAVEN, MN 55391	DIRECTOR 0.25	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.

FORM 990-PF

PART XV - LINE 1A
LIST OF FOUNDATION MANAGERS

STATEMENT 10

NAME OF MANAGER

EDGAR M. MORSMAN, JR.
ELIZABETH H. MORSMAN



Stocks, options & ETFs

Stocks and ETFS

DESCRIPTION	ACCOUNT	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
									ANNUAL INCOME	ANNUAL YIELD (%)
ABBOTT LABORATORIES										
ABT										
Acquired 04/16/10 Lnc										
Acquired 05/26/10 Lnc										
Acquired 05/16/11 L										
Total		1.54	100		\$5,186.12	65.5000	\$6,550.00	\$1,363.88	\$56.00	0.85
ACCENTURE PLC IRELAND										
SHARES CLASS A										
ACN										
Acquired 04/16/10 Lnc		1.48	95		43.11	4,098.15	66.5000	6,317.50	2,221.35	
AFLAC INC										
AFL										
Acquired 04/16/10 Lnc										
Acquired 05/18/11 L										
Total		1.26	101		\$5,436.00	53.1200	\$5,365.12	-\$70.88	\$141.40	2.64
AIR PRODUCTS & CHEMICALS										
INC										
APD										
Acquired 04/16/10 Lnc										
ANALOG DEVICES INC										
ADI										
Acquired 04/16/10 Lnc										
APTARGROUP INC										
ATR										
Acquired 04/16/10 Lnc										
AT & T INC										
AT										
Acquired 04/16/10 Lnc										
Acquired 04/19/10 Lnc										
Acquired 05/26/10 Lnc										
Total		1.38	174		\$4,514.68	33.7100	\$5,865.54	\$1,350.88	\$89.76	1.84
AUTOMATIC DATA										
PROCESSING										
ADP										
Acquired 04/16/10 Lnc										
Acquired 04/19/10 Lnc										
Acquired 05/26/10 Lnc										
Total		1.34	100		44.29	4,429.72	56.9300	5,693.00	1,263.28	3.05

MORSMAN FAMILY FOUNDATION

DECEMBER 1 - DECEMBER 31, 2012
ACCOUNT NUMBER:Stocks, options & ETFs
Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
								ANNUAL INCOME	ANNUAL YIELD (%)
BAXTER INTERNATIONAL INC BAX		80	59.07	4,725.60		5,332.80	607.20		
Acquired 04/16/10 L nc		10	59.80	598.00		666.60	68.60		
Acquired 05/18/11 L									
Total	1.41	90		\$5,323.60	66.6800	\$5,999.40	\$675.80	\$162.00	2.70
BECTON DICKINSON & CO BDX		46	83.98	3,863.08		3,596.74	-266.34		
Acquired 05/20/08 L nc		10	77.90	778.00		781.90	2.90		
Acquired 04/16/10 L nc		5	71.68	358.40		390.96	32.55		
Acquired 05/26/10 L nc									
Total	1.12	61		\$5,000.48	78.1900	\$4,769.59	-\$230.89	\$120.78	2.53
BROWN AND BROWN INC COM BRO									
Acquired 04/16/10 L nc		1.23	206	18.66	3,845.99	25.4600	5,244.76	1,398.77	74.16
BROWN-FORMAN CORP CL B BF/B									
Acquired 04/16/10 L nc		1.67	112	39.28	4,398.00	63.2500	7,084.00	2,686.00	114.24
CHEVRON CORPORATION CVX									
Acquired 12/01/03 L nc		1.35	53	37.87	2,007.37	108.1400	5,731.42	3,724.05	190.80
CHUBB CORP CB									
Acquired 12/06/11 L		1.33	75	67.37	5,062.75	75.3200	5,649.00	596.25	123.00
CLOROX COMPANY CLX									
Acquired 04/16/10 L nc		73	64.44	4,704.12		5,345.06	640.94		
Acquired 05/18/11 L		3	70.20	210.60		219.66	9.06		
Total	1.31	76		\$4,914.72	73.2200	\$5,564.72	\$650.00	\$194.56	3.50
COLGATE-PALMOLIVE CO CL									
Acquired 04/16/10 L nc		56	84.15	4,712.40		5,854.24	1,141.84		
Acquired 05/18/11 L		6	85.86	515.16		627.24	112.08		
Total	1.52	62		\$5,227.56	104.5400	\$6,481.48	\$1,253.92	\$153.76	2.37

ASSET ADVISOR



Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	ACCOUNT	% OF QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
								ANNUAL INCOME	ANNUAL YIELD (%)
COMMERCIAL BANCSHARES INC									
CBSH									
Acquired 04/16/10 Lnc	132,523,80	35.07	4,709.51		4,646.28		-63.23		
Acquired 05/18/11 L	5,476,20	43.07	215.35		192.00		-23.35		
Total	1.14	138	\$4,924.86	35.0600	\$4,838.28		-\$86.58	\$126.96	2.62
CONOCOPHILLIPS									
COP									
Acquired 04/16/10 Lnc	65	43.32	2,816.10		3,769.35		953.25		
Acquired 05/26/10 Lnc	9	38.67	349.89		521.91		172.02		
Total	1.01	74	\$2,165.99	57.9900	\$4,291.26		\$1,125.27	\$185.36	4.55
COSTICO WHSL CORP NEW COM									
COST									
Acquired 04/09/09 Lnc	61	46.84	2,857.24		6,022.53		3,165.29		
Acquired 04/16/10 Lnc	4	59.34	237.36		394.92		157.56		
Total	1.51	65	\$2,094.60	98.7300	\$6,417.45		\$3,322.85	\$71.50	1.11
EATON VANCE CORP NON VTG EV									
EV									
Acquired 04/16/10 Lnc	135	34.69	4,684.23		4,299.75		-384.48		
Acquired 05/18/11 L	32	32.00	1,024.00		1,019.20		-4.80		
Total	1.25	167	\$5,708.23	31.8500	\$5,318.95		-\$389.28	\$133.60	2.51
ECOLAB INC									
ECL									
Acquired 04/16/10 Lnc	1.76	104	45.20	4,701.57	71.9000	7,477.60	2,776.03	95.68	1.27
EMERSON ELECTRIC CO									
EMR									
Acquired 04/16/10 Lnc	91	51.78	4,711.98		4,819.36		107.38		
Acquired 05/18/11 L	10	53.93	539.30		529.60		-9.70		
Total	1.26	101	\$5,251.28	52.9600	\$5,348.96		\$97.68	\$165.64	3.10
ENERGEN CORPORATION									
EGN									
Acquired 04/16/10 Lnc	0.98	92	48.12	4,427.04	45.0900	4,148.28	-278.76	51.52	1.24
EXXON MOBIL CORP									
EXM									
Acquired 07/03/01 Lnc	1.34	66	43.59	2,876.94	86.5500	5,712.30	2,835.36	150.48	2.63

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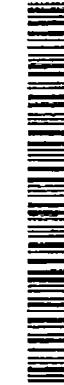
DECEMBER 1 - DECEMBER 31 2012
ACCOUNT NUMBER.

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
								ANNUAL INCOME	ANNUAL YIELD (%)
FACTSET RESEARCH SYSTEMS INC	1.03	50	74.86	3,743.00	88.0600	4,403.00	660 00		0.50 0.01
FDS Acquired 04/16/10 L nc									
GENERAL MILLS INC	1.27	134	23.29	3,121.53	40.4200	5,416.28	2,294.75	176.88	3.26
GIS Acquired 02/14/02 L nc									
GENL DYNAMICS CORP COM GD	62	76 00	4,712.00		4,294.74	-417.26			
Acquired 04/16/10 L nc	11	74.02	814.22		761.97	-52.25			
Acquired 05/18/11 L									
Total	1.19	73		\$5,526.22	69.2700	\$5,056.71	\$469.51	\$148.92	2.94
GRAINGER WW INC GWW	1.71	36	105.08	3,782.88	202.3700	7,285.32	3,502.44	115.20	1.58
Acquired 04/16/10 L nc									
HARRIS CORP DEL HRS	95	49.36	4,689.20		4,651.20	-38.00			
Acquired 04/16/10 L nc	15	48.93	733.95		734.40	0.45			
Acquired 05/18/11 L									
Total	1.27	110		\$5,423.15	48.9600	\$5,385.60	\$37.55	\$162.80	3.02
ILLINOIS TOOL WORKS INC ITW	88	48.96	4,308.48		5,351.28	1,042.80			
Acquired 04/16/10 L nc	6	45.89	275.34		364.86	89.52			
Acquired 05/26/10 L nc									
Total	1.34	94		\$4,583.82	60.8100	\$5,716.14	\$1,132.32	\$142.88	2.50
INTEL CORP INTC	200	30.49	6,098.00		4,124.00	-1,974.00			
Acquired 07/03/01 L nc	23	21.26	488.98		474.26	-14.72			
Acquired 05/26/10 L nc	5	23.79	118.95		103.10	-16.85			
Acquired 05/18/11 L									
Total	1.11	228		\$6,705.93	20.6200	\$4,701.36	\$-2,004.57	\$205.20	4.36
INTERNATIONAL BUSINESS MACHINE CORP IBM	1.44	32	130.86	4,187.52	191.5500	6,129.60	1,942.08	108.80	1.77
Acquired 04/16/10 L nc									

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Stocks, options & ETFs

Stocks and ETFs continued

MORSMAN FAMILY FOUNDATION

DECEMBER 1 - DECEMBER 31, 2012
ACCOUNT NUMBER:

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	ACCOUNT	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
									ANNUAL INCOME	ANNUAL YIELD (%)
MCDONALDS CORP MCD	Acquired 04/16/10 L nc	1.39	67	68.80	4,609.60	88.2100	5,910.07	1,300.47	206.36	3.49
MDU RESOURCES GROUP INC MDU	Acquired 04/2/10 L nc	113		22.12	2,499.56		2,400.12	-99.44		
	Acquired 04/2/10 L nc	100		22.11	2,211.00		2,124.00	-87.00		
	Acquired 05/18/11 L	18		23.47	422.46		382.32	-40.14		
Total		1.15	231		\$5,133.02	21,2400	\$4,906.44	-\$226.58	\$159.38	3.25
MICROSOFT CORP MSFT	Acquired 01/11/12 \$	1.13	180	27.88	5,018.40	26.7097	4,807.74	-210.66	165.60	3.44
NATIONAL FUEL GAS CO NFG	Acquired 04/18/10 L nc	0.94	79	52.62	4,156.98	50.6900	4,004.51	-152.47	115.34	2.88
NEW JERSEY RES CORP NJR	Acquired 04/19/10 L nc	1.09	117	37.28	4,362.92	39.6200	4,635.54	272.62	187.20	4.03
NEXTERA ENERGY INC NEE	Acquired 04/16/10 L nc	1.50	92	48.41	4,453.72	69.1900	6,365.48	1,911.76	220.80	3.46
NORDSTROM INC JWN	Acquired 04/16/10 L nc	109		42.99	4,686.96		5,831.50	1,144.54		
	Acquired 04/16/10 L nc	8		46.19	369.52		428.00	58.48		
Total		1.47	117		\$5,056.48	53.5000	\$6,259.50	\$1,203.02	\$126.38	2.02
NORFOLK SOUTHERN CORP NSC	Acquired 04/16/10 L nc	1.10	76	59.54	4,525.04	61.8400	4,699.84	174.80	152.00	3.23
NORTHEAST UTILITIES NU	Acquired 04/16/10 L nc	1.37	149	27.44	4,089.75	39.0800	5,822.92	1,733.17	204.42	3.51

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Stocks, options & ETFs

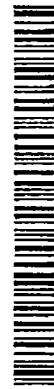
Stocks and ETFs continued

DESCRIPTION	ACCOUNT	% OF QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	ESTIMATED	
							ANNUAL INCOME	ANNUAL YIELD (%)
NOVARTIS AG								
SPON ADR								
NVS		71	53.10	3,770.61		4,494.30	723.69	
Acquired 10/16/07 Lnc		17	44.28	7,762.76		1,076.10	323.34	
Acquired 05/26/10 Lnc								
Total	1.31	88		\$4,523.37	63,3000	\$5,570.40	\$1,047.03	3.33
OWENS & MINOR INC NEW								
OMI								
Acquired 04/16/10 Lnc		1.01	150	31.36	4,705.49	28,5100	4,276.50	-428.99
Total	1.23	168						
PAYCHEX INC								
PAYX		153	30.82	4,716.23		4,758.30	42.07	
Acquired 04/16/10 Lnc		15	31.95	4,79.26		466.50	-12.75	
Acquired 05/18/11 L								
Total	1.21	75		\$5,195.48	31,1000	\$5,224.80	\$29.32	4.24
PEPSICO INCORPORATED								
PEP								
Acquired 07/03/01 Lnc		72	45.25	3,258.00		4,926.96	1,668.96	
Acquired 05/18/11 L		3	71.01	213.03		205.29	-7.74	
Total	1.21	75		\$3,471.03	68,4300	\$5,132.26	\$1,661.22	3.14
PHILLIPS 66								
PSX								
Acquired 04/16/10 Lnc		32,50000	25.75	836.90		1,725.75	888.85	
Acquired 05/26/10 Lnc		4,50000	23.10	103.98		238.95	134.97	
Total	0.46	37		\$940.88	53,1000	\$1,964.70	\$1,023.82	1.88
PIEDMONT NATURAL GAS CO								
PNY								
Acquired 04/16/10 Lnc		158	27.54	4,352.74		4,946.98	594.24	
Acquired 05/26/10 Lnc		15	25.22	378.30		469.65	91.35	
Total	1.27	173		\$4,731.04	31,3100	\$5,416.63	\$685.59	3.83
POLARIS INDs INC								
PII								
Acquired 04/16/10 Lnc		2.06	104	28.07	2,919.80	84,1500	8,751.60	6,831.80
Total	1.31	61						
PRAXAIR INC								
PX								
Acquired 04/16/10 Lnc								
Total	1.21	60						

DECEMBER 1 - DECEMBER 31, 2012
ACCOUNT NUMBER:

Stocks, options & ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
								ANNUAL INCOME	ANNUAL YIELD (%)
PROCTER & GAMBLE CO PG		75	53.89	4,041.75		5,091.75	1,050.00		
Acquired 03/07/05 L nc			67.44	337.20		339.45	2.25		
Acquired 05/18/11 L									
Total	1.28	80	\$4,378.95	67,8900	\$5,431.20	\$1,052.25	\$179.84		3.31
REALTY INCOME CORP REIT O		149	31.06	4,628.57	40.2100	5,991.29	1,382.72	271.32	4.52
Acquired 04/16/10 L nc			31.72	4,727.76					
Total	1.28	77	72.06	5,649.38	70,8900	5,458.53	-90.85	264.88	4.85
ROYAL DUTCH SHELL PLC ADR B RDS/B									
Acquired 07/18/12 S									
SCANA CORP COM SCG		122	38.69	4,721.38		5,568.08	846.70		
Acquired 04/16/10 L nc			41.68	250.08		273.84	23.76		
Acquired 05/18/11 L									
Total	1.37	128	\$4,971.46	45,6400	\$5,841.92	\$870.46	\$253.44		4.34
SIGMA ALDRICH CORP SIAL		135	78	55.71	4,345.38	73,5800	5,739.24	1,393.86	
Acquired 04/16/10 L nc									
SOUTH JERSEY IND INC SJI		1.16	98	42.28	4,144.32	50,3300	4,932.34	788.02	173.46
Acquired 04/16/10 L nc									
STRYKER CORP SYK		1.30	101	54.43	5,497.98	54,8200	5,538.82	38.84	
Acquired 04/27/12 S									
SYSKO CORPORATION SYK									
Acquired 04/16/10 L nc		159	29.61	4,709.55		5,033.94	324.39		
Acquired 05/18/11 L			32.49	227.43		221.62	-5.81		
Total	1.24	168	\$4,936.98	31,6600	\$5,255.56	\$318.58	\$185.92		3.54



Stocks, options & ETFs

Stocks and ETFs continued

DECEMBER 1 - DECEMBER 31, 2012
ACCOUNT NUMBER:**Stocks, options & ETFs****Stocks and ETFs continued**

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ANNUAL YIELD (%)
Total Stocks and ETFs	96.49				\$410,540.53	\$81,045.02		\$11,254.76	2.74
Total Stocks, options & ETFs	96.49				\$410,540.53	\$81,045.02		\$11,254.75	2.74
nc Cost information for this tax lot is not covered by IRS reporting requirements. Unless indicated, cost for all other lots will be reported to the IRS.									

Fixed Income Securities

Corporate and municipal bonds and other fixed income securities are priced by a computerized pricing service or, for less actively traded issues, by utilizing a yield-based matrix system to arrive at an estimated market value.

Government Bonds

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ACCRUED INTEREST	ANNUAL INCOME	ANNUAL YIELD (%)
FEDERAL HOME LOAN BANK BONDS										
CPN 5.0000% DUE 03/08/13										
DTD 02/15/06 FC 09/09/06										
Moody AAA, S&P AA+										
REMAIN BAL 10,000.00										
DEC FACTOR 1.00000000										
CUSIP 3133XES91										
Acquired 03/23/06 L nc	2.37	10,000	0.99	9,922.20	100,8790	10,087.90	165.70	156.94	500.00	4.95
Total Government Bonds	2.37	10,000		\$9,922.20		\$10,087.90	\$165.70	\$156.94	\$500.00	4.96
Total Fixed Income Securities	2.37			\$9,922.20		\$10,087.90	\$165.70	\$156.94	\$500.00	4.96
nc Cost information for this tax lot is not covered by IRS reporting requirements. Unless indicated, cost for all other lots will be reported to the IRS.										

nc Cost information for this tax lot is not covered by IRS reporting requirements. Unless indicated, cost for all other lots will be reported to the IRS.

