Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ **Do not enter Social Security numbers on this form as it may be made public. By law, the IRS cannot redact the information on the form.**

▶ **Information about Form 990-PF and its instructions is at *www.irs.gov/form990pf*.**

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013, or tax year beginning 01-01-2013 , and ending 12-31-2013

Name of foundation
LEONETTE M & FRED T
LANNERS FOUNDATION

A Employer identification number
41-1700476

Number and street (or P O box number if mail is not delivered to street address) Room/suite
12805 HIGHWAY 55
ROOM/SUITE 102

B Telephone number (see instructions)
(763) 550-9892

City or town, state or province, country, and ZIP or foreign postal code
PLYMOUTH, MN 55441

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 change

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)*▶$ 2,897,686

J Accounting method ☑ Cash ☐ Accrual ☐ Other (specify) ______
(Part I, column (d) must be on cash basis.)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (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)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	20	20		
	4	Dividends and interest from securities	65,543	65,543		
	5a	Gross rents				
	b	Net rental income or (loss) ______				
	6a	Net gain or (loss) from sale of assets not on line 10	252,193			
	b	Gross sales price for all assets on line 6a 901,620				
	7	Capital gain net income (from Part IV, line 2)		252,193		
	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) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	317,756	317,756		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)	2,100	1,890		210
	b	Accounting fees (attach schedule)	3,950	3,555		395
	c	Other professional fees (attach schedule)	25,359	25,359		
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	1,973	1,973		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	3,079	308		2,771
	22	Printing and publications				
	23	Other expenses (attach schedule)	1,500	448		1,052
	24	**Total operating and administrative expenses.** Add lines 13 through 23	37,961	33,533		4,428
	25	Contributions, gifts, grants paid	127,900			127,900
	26	**Total expenses and disbursements.** Add lines 24 and 25	165,861	33,533		132,328
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	151,895			
	b	**Net investment income** (if negative, enter -0-)		284,223		
	c	**Adjusted net income** (if negative, enter -0-)				

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	3,250		
	2	Savings and temporary cash investments	46,386	90,559	90,559
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	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			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	112,791	85,707	326,991
	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)	2,167,866	2,305,922	2,480,136
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	2,330,293	2,482,188	2,897,686
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)		0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ ☑ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	2,330,293	2,482,188	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ **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 page 17 of the instructions)	2,330,293	2,482,188	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	2,330,293	2,482,188	

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	2,330,293
2	Enter amount from Part I, line 27a	2	151,895
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	2,482,188
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	2,482,188

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	See Additional Data Table			
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	See Additional Data Table			
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	See Additional Data Table			
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	252,193
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	198

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 page 18 of 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))
2012	133,456	2,606,543	0 051200
2011	119,308	2,539,172	0 046987
2010	108,723	2,382,464	0 045635
2009	113,976	2,087,483	0 054600
2008	146,307	2,620,515	0 055831

2	**Total** of line 1, column (d).	2	0 254253
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 050851
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5.	4	2,779,279
5	Multiply line 4 by line 3.	5	141,329
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	2,842
7	Add lines 5 and 6.	7	144,171
8	Enter qualifying distributions from Part XII, line 4.	8	132,328

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 page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ **(attach copy of letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	5,684
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	
3	Add lines 1 and 2			3	5,684
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	5,684
6	Credits/Payments				
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	1,150		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	1,150
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	4,534
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶ **Refunded** ▶			11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
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)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
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? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶MN			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*	10		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶WWW LANNERSFOUNDATION ORG

14 The books are in care of ▶ALAN LANNERS Telephone no ▶(763) 550-9892

Located at ▶12805 HIGHWAY 55 102 PLYMOUTH MN ZIP+4 ▶55441

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 |

			Yes	No
16	At any time during calendar year 2013, 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		No
	See instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country ▶			

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☑ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		No
	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 2013?	1c		
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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ Yes ☑ No			
	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		
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			
b	If "Yes," did it have excess business holdings in 2013 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 2013.).*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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 2013?	4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		
	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?	**6b**		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?	**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
See Additional Data Table				

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	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the 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	2,732,536
b	Average of monthly cash balances	1b	89,067
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	2,821,603
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	2,821,603
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	42,324
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,779,279
6	**Minimum investment return.** Enter 5% of line 5	6	138,964

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	138,964
2a	Tax on investment income for 2013 from Part VI, line 5	2a	5,684		
b	Income tax for 2013 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	5,684
3	Distributable amount before adjustments Subtract line 2c from line 1			3	133,280
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	133,280
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	133,280

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	132,328
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	132,328
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	132,328

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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7					133,280
2 Undistributed income, if any, as of the end of 2013					
a Enter amount for 2012 only.					
b Total for prior years 20___ , 20___ , 20___					
3 Excess distributions carryover, if any, to 2013					
a From 2008.					
b From 2009.	1,128				
c From 2010.					
d From 2011.					
e From 2012.	5,417				
f **Total** of lines 3a through e.		6,545			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 132,328					
a Applied to 2012, 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 2013 distributable amount.					132,328
e Remaining amount distributed out of corpus					
5 Excess distributions carryover applied to 2013 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		952			952
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		5,593			
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 2012 Subtract line 4a from line 2a Taxable amount—see instructions					
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014					0
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 2008 not applied on line 5 or line 7 (see instructions) . . .					
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a		5,593			
10 Analysis of line 9					
a Excess from 2009. . . .	176				
b Excess from 2010. . . .					
c Excess from 2011. . . .					
d Excess from 2012. . . .	5,417				
e Excess from 2013. . . .					

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 2013, enter the date of the ruling. . . . . . . ▶

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

	Tax year	Prior 3 years			
	(a) 2013	**(b)** 2012	**(c)** 2011	**(d)** 2010	**(e) Total**
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV **Supplementary Information (Complete this part only if the organization 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))

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

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 address of the person to whom applications should be addressed

ALAN LANNERS
12805 HIGHWAY 55 102
PLYMOUTH, MN 55441
(763) 550-9892

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

GRANT PROPOSALS SHOULD BE SUBMITTED ON THE POSTED GRANT APPLICATION DEVISED BY THE FOUNDATION THIS IS THE PREFERRED APPLICATION METHOD WE WILL ALSO CONSIDER PROPOSALS SUBMITTED USING THE MINNESOTA COMMON GRANT APPLICATION FORM (THE PREFERRED GRANT APPLICATION DEVISED BY THE FOUNDATION CAN BE FOUND AT WWW LANNERSFOUNDATION ORG) PLEASE REVIEW OUR GRANT MAKING POLICY LOCATED ON OUR WEB-SITE FOR A COMPLETE DESCRIPTION OF OUR APPLICATION PROCESS AND FORMAT AND REQUIRED CONTENTS

c Any submission deadlines

LETTERS OF INQUIRY AND PROPOSALS ARE ACCEPTED THROUGHOUT THE YEAR, BUT PROPOSALS ARE EVALUATED FROM

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

PLEASE SEE OUR GRANT MAKING POLICY AT WWW LANNERSFOUNDATION ORG FOR COMPLETE DETAILS OF RESTRICTIONS OR LIMITATIONS ON AWARDS

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . . . ▶ 3a				127,900
b *Approved for future payment*				
Total . . . . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	20	
4 Dividends and interest from securities. . . .			14	65,543	
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			14	252,193	
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). .				317,756	

13 Total. Add line 12, columns (b), (d), and (e). **13** 317,756

(See worksheet in line 13 instructions to verify calculations)

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

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

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

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash	1a(1)		No
(2) Other assets	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
(3) Rental of facilities, equipment, or other assets	1b(3)		No
(4) Reimbursement arrangements	1b(4)		No
(5) Loans or loan guarantees	1b(5)		No
(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

******	2014-04-30	******
Signature of officer or trustee	Date	Title

May the IRS discuss this return with the preparer shown below (see instr)? ☐ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
JOSEPH C SPELTZ		2014-04-03		P01257832
Firm's name ▶ OLSON CLOUGH & LEBLANC LTD			Firm's EIN ▶	
Firm's address ▶ 10275 WAYZATA BOULEVARD SUITE 200 MINNETONKA, MN 55305			Phone no (952) 544-9600	

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
2,815 534 SH TCW TOTAL RETURN BOND	P	2012-09-24	2013-05-30
5,371 464 SH DAVIS NY VENTURE FUND	P	2004-02-11	2013-05-30
2,024 584 SH DODGE & COX INC FD	P	2004-02-11	2013-05-30
8,120 869 SH EATON VANCE LRG CAP VAL	P	2006-04-06	2013-05-30
300 SH ECOLAB INC	P	2003-12-29	2013-04-24
283 SH ECOLAB INC	P	2003-12-29	2013-05-20
408 SH ECOLAB INC	P	2003-12-29	2013-05-30
16,184 431 SH HARBOR BD FUND INSTITU	P	2006-04-06	2013-05-30
40 SH ISHARES COHEN & STEER REIT	P	2006-04-10	2013-05-30
650 SH ISHARES COHEN & STEER REIT	P	2008-12-17	2013-05-30
537 406 SH WASHINGTON MUTUAL INV FD	P	2002-05-09	2013-05-30
621 854 SH WASHINGTON MUTUAL INV FD	P	2002-05-29	2013-05-30

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
29,000		28,802	198
221,895		156,019	65,876
28,000		26,441	1,559
184,506		157,892	26,614
25,036		8,199	16,837
25,070		7,734	17,336
35,068		11,151	23,917
200,849		187,921	12,928
3,363		3,277	86
54,653		28,970	25,683
19,470		15,311	4,159
22,530		17,710	4,820

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

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	
			198
			65,876
			1,559
			26,614
			16,837
			17,336
			23,917
			12,928
			86
			25,683
			4,159
			4,820

Form 990PF Part VIII Line 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
ALAN LANNERS 12805 HIGHWAY 55 102 PLYMOUTH,MN 55441	PRESIDENT 1 00	0	0	0
F THOMAS LANNERS 12805 HIGHWAY 55 102 PLYMOUTH,MN 55441	DIRECTOR 0 20	0	0	0
LEONETTE LANNERS 12805 HIGHWAY 55 102 PLYMOUTH,MN 55441	VICE PRESIDE 0 01	0	0	0
CAROL HOCKERT 12805 HIGHWAY 55 102 PLYMOUTH,MN 55441	SECRETARY 0 50	0	0	0
JACK LANNERS 12805 HIGHWAY 55 102 PLYMOUTH,MN 55441	DIRECTOR 0 20	0	0	0
KATHY CARRUTH 12805 HIGHWAY 55 102 PLYMOUTH,MN 55441	TREASURER 1 00	0	0	0

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
BRIDGING 201 W 87TH STREET BLOOMINGTON, MN 55420	NONE		PROVIDE FUNDS FOR OPERATION	5,000
CENTER OF THE AMERICAN EXPERIMENT 8441 WAYZATA BLVD SUITE 350 GOLDEN VALLEY, MN 55426	NONE		PROVIDE FUNDS FOR OPERATION	12,500
COLLEGE POSSIBLE 540 FAIRVIEW AVENUE NORTH SUITE 201 ST PAUL, MN 55104	NONE		PROVIDE FUNDS FOR OPERATION	5,000
CONCERNED WOMEN FOR AMERICA 1015 5TH STREET NW SUITE 1110 WASHINGTON, DC 20005	NONE		PROVIDE FUNDS FOR OPERATION	12,500
CRADLE OF HOPE 1935 WEST COUNTY ROAD B SUITE 241 ROSEVILLE, MN 55113	NONE		PROVIDE FUNDS FOR OPERATION	3,000
GIRL SCOUTS FOR WESTERN WASHINGTON 601 VALLEY STREET SEATTLE, WA 98109	NONE		PROVIDE FUNDS FOR OPERATION	5,000
HIGHLAND FRIENDSHIP CLUB PO BOX 16437 ST PAUL, MN 55116	NONE		PROVIDE FUNDS FOR OPERATION	5,000
HILLSDALE COLLEGE 33 E COLLEGE STREET HILLSDALE, MI 49242	NONE		PROVIDE FUNDS FOR OPERATION	10,000
HOPE STREET SHELTER 1200 SECOND AVENUE SOUTH MINNEAPOLIS, MN 55403	NONE		PROVIDE FUNDS FOR OPERATION	5,000
INTELLECTUAL TAKEOUT 207 NORTH CHESTNUT STREET SUITE 200 CHASKA, MN 55318	NONE		PROVIDE FUNDS FOR OPERATION	12,500
JUNIOR ACHIEVEMENT 1800 WHITE BEAR AVENUE N MAPLEWOOD, MN 55109	NONE		PROVIDE FUNDS FOR OPERATON	2,000
LITTLE BROTHERS FRIENDS OF THE ELDE 1845 EAST LAKE STREET MINNEAPOLIS, MN 55407	NONE		PROVIDE FUNDS FOR OPERATION	2,000
LITTLE SISTERS OF THE POOR 330 EXCHANGE STREET SOUTH ST PAUL, MN 55102	NONE		PROVIDE FUNDS FOR OPERATION	1,000
MARRIAGE ENCOUNTER 230 CONCORD EXCHANGE N SOUTH ST PAUL, MN 55075	NONE		PROVIDE FUNDS FOR OPERATION	4,000
MCLAURIN INSTITUTE 1337 CLEVELAND AVENUE N ST PAUL, MN 55108	NONE		PROVIDE FUNDS FOR OPERATION	4,400
Total . . . . ▶ **3a**				127,900

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
NORTHERN STAR COUNCIL 393 MARSHALL AVENUE ST PAUL,MN 55102	NONE		PROVIDE FUNDS FOR OPERATION	10,000
REBUILDING TOGETHER TWIN CITIES 1050 33RD AVENUE SE MINNEAPOLIS,MN 55414	NONE		PROVIDE FUNDS FOR OPERATION	5,000
ST JOHN'S UNIVERSITY PO BOX 7222 COLLEGEVILLE,MN 56321	NONE		PROVIDE FUNDS FOR OPERATION	5,000
ST PAUL'S OUTREACH 110 CRUSADER AVENUE W WEST ST PAUL,MN 55118	NONE		PROVIDE FUNDS FOR OPERATION	3,000
STORE-TO-DOOR 1935 WEST COUNTY ROAD B2 ROSEVILLE,MN 55113	NONE		PROVIDE FUNDS FOR OPERATION	3,000
TLC OPTIONS FOR WOMEN 525 THOMAS AVENUE ST PAUL,MN 55103	NONE		PROVIDE FUNDS FOR OPERATION	3,000
YOUTH FRONTIERS 6009 EXCELSIOR BOULEVARD MINNEAPOLIS,MN 55416	NONE		PROVIDE FUNDS FOR OPERATION	10,000
Total . . . . ▶ **3a**				127,900

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TY 2013 Accounting Fees Schedule

Name: LEONETTE M & FRED T
LANNERS FOUNDATION

EIN: 41-1700476

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	3,950	3,555		395

TY 2013 Compensation Explanation

Name: LEONETTE M & FRED T
LANNERS FOUNDATION

EIN: 41-1700476

Person Name	Explanation
ALAN LANNERS	
F THOMAS LANNERS	
LEONETTE LANNERS	
CAROL HOCKERT	
JACK LANNERS	
KATHY CARRUTH	

TY 2013 Investments Corporate Stock Schedule

Name: LEONETTE M & FRED T LANNERS FOUNDATION

EIN: 41-1700476

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ECOLAB, INC.	85,707	326,991

TY 2013 Investments - Other Schedule

Name: LEONETTE M & FRED T
LANNERS FOUNDATION

EIN: 41-1700476

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
MUTUAL FUNDS	AT COST	2,141,808	2,318,952
ALTERNATIVE INVESTMENTS	AT COST	133,306	104,247
CLOSE-END FUNDS	AT COST	30,808	56,937

TY 2013 Legal Fees Schedule

Name: LEONETTE M & FRED T
LANNERS FOUNDATION

EIN: 41-1700476

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES	2,100	1,890		210

TY 2013 Other Expenses Schedule

Name: LEONETTE M & FRED T
LANNERS FOUNDATION

EIN: 41-1700476

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
DUES AND SUBSCRIPTIONS	725	73		652
INSURANCE	750	375		375
STATE MINIMUM FEE	25			25

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TY 2013 Other Professional Fees Schedule

Name: LEONETTE M & FRED T
LANNERS FOUNDATION

EIN: 41-1700476

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	25,359	25,359		

TY 2013 Taxes Schedule

Name: LEONETTE M & FRED T LANNERS FOUNDATION

EIN: 41-1700476

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INCOME TAXES	1,354	1,354		
FOREIGN TAXES	619	619		