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.

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

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation: PROSPECT CREEK FOUNDATION

A Employer identification number: 41-1736420

Number and street (or P O. box number if mail is not delivered to street address): 4900 IDS CENTER 80 SOUTH 8TH STREET

Room/suite:

B Telephone number: 612-672-9603

City or town, state or province, country, and ZIP or foreign postal code: MINNEAPOLIS, MN 55402

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)* ▶$ 52,204,019.

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).)

		(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	1,200,000.			
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	50,538.	50,538.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	4,293,215.			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		4,293,215.		
	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	2,567,297.	141,400.	0.	STATEMENT 2
	12 **Total.** Add lines 1 through 11	8,111,050.	4,485,153.	0.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	11,795.	0.	0.	11,795.
	c Other professional fees STMT 4	32,283.	32,283.	0.	0.
	17 Interest				
	18 Taxes STMT 5	125,025.	0.	0.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	25,620.	0.	0.	25,620.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	194,723.	32,283.	0.	37,415.
	25 Contributions, gifts, grants paid	2,789,781.			2,789,781.
	26 **Total expenses and disbursements.** Add lines 24 and 25	2,984,504.	32,283.	0.	2,827,196.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	5,126,546.			
	b **Net investment income** (if negative, enter -0-)		4,452,870.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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	Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	18,934.	16,153.	16,153.
	2 Savings and temporary cash investments	834,473.	3,742,700.	3,742,700.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 8	5,261,035.	8,267,636.	8,260,960.
	b Investments - corporate stock STMT 9	1,675,686.	1,585,039.	3,095,622.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 10	37,956,843.	37,262,505.	37,088,584.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	45,746,971.	50,874,033.	52,204,019.
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** ▶ ☐ **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 ▶ ☒ **and complete lines 27 through 31.**			
	27 Capital stock, trust principal, or current funds	45,746,971.	50,874,033.	
	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**	45,746,971.	50,874,033.	
	31 **Total liabilities and net assets/fund balances**	45,746,971.	50,874,033.	

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	45,746,971.
2 Enter amount from Part I, line 27a	2	5,126,546.
3 Other increases not included in line 2 (itemize) ▶ CARRYING VALUE ADJUSTMENT	3	516.
4 Add lines 1, 2, and 3	4	50,874,033.
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	50,874,033.

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	LTCG FROM INVESTMENT - SEE STATEMENT			
b	STCG FROM INVESTMENT - SEE STATEMENT			
c	LTCG FROM PARTNERSHIPS - SEE STATEMENT			
d	STCG FROM PARTNERSHIPS - SEE STATEMENT			
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				102,605.
b				-1,621.
c				3,767,631.
d				424,600.
e				

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

	(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				102,605.
b				-1,621.
c				3,767,631.
d				424,600.
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	4,293,215.
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 ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2012	1,813,117.	44,145,897.	.041071
2011	2,441,443.	44,022,431.	.055459
2010	1,839,557.	42,605,134.	.043177
2009	1,720,370.	37,255,787.	.046177
2008	1,707,559.	37,492,165.	.045544

2	**Total** of line 1, column (d)	2	.231428
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	.046286
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	48,515,282.
5	Multiply line 4 by line 3	5	2,245,578.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	44,529.
7	Add lines 5 and 6	7	2,290,107.
8	Enter qualifying distributions from Part XII, line 4	8	2,827,196.

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 ▶ ☐ 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	44,529.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0.
3	Add lines 1 and 2			3	44,529.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	44,529.
6	Credits/Payments:				
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	57,169.		
b	Exempt foreign organizations - tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	15,000.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	72,169.
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	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	27,640.
11	Enter the amount of line 10 to be: **Credited to 2014 estimated tax** ▶ 27,640. **Refunded** ▶			11	0.

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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		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.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
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? *If "Yes," attach the statement required by General Instruction T.*	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?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	X	
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	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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ JULIE PIRAS Telephone no. ▶ 612-672-9603

Located at ▶ 4900 IDS CENTER, MINNEAPOLIS, MN ZIP+4 ▶ 55402

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 N/A

			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		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

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

				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?	☐ 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 instructions)?	N/A	1b		
	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		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 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 ▶ _____, _____, _____, _____				
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?	☐ 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.)*	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 2013?		4b		X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A | 7b | |

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MARTHA CLARK ATWATER 636 FERNDALE AVENUE WAYZATA, MN 55391	DIRECTOR 0.00	0.	0.	0.
H B ATWATER, JR 636 FERNDALE AVENUE WAYZATA, MN 55391	DIRECTOR 0.00	0.	0.	0.
ELIZABETH ATWATER CONNOLLY 2010 JAMES AVENUE SOUTH MINNEAPOLIS, MN 55405	DIRECTOR 0.00	0.	0.	0.

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

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

Total number of other employees paid over $50,000 ▶ 0

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Part 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 NONE	0.
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 NONE	0.
2	
All other program-related investments. See instructions. 3 NONE	0.
Total. Add lines 1 through 3 ▶	0.

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	8,616,735.
b	Average of monthly cash balances		1b	3,114,645.
c	Fair market value of all other assets		1c	37,522,713.
d	**Total** (add lines 1a, b, and c)		1d	49,254,093.
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	49,254,093.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	738,811.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	48,515,282.
6	**Minimum investment return.** Enter 5% of line 5		6	2,425,764.

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	2,425,764.
2a	Tax on investment income for 2013 from Part VI, line 5	2a 44,529.		
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	44,529.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	2,381,235.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	2,381,235.
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	2,381,235.

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	2,827,196.
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	2,827,196.
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	44,529.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	2,782,667.

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

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Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7					2,381,235.
2 Undistributed income, if any, as of the end of 2013					
a Enter amount for 2012 only				2,010,999.	
b Total for prior years: ______ , ______ , ______			0.		
3 Excess distributions carryover, if any, to 2013:					
a From 2008					
b From 2009					
c From 2010					
d From 2011					
e From 2012					
f **Total** of lines 3a through e		0.			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶$ 2,827,196.					
a Applied to 2012, but not more than line 2a				2,010,999.	
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 2013 distributable amount					816,197.
e Remaining amount distributed out of corpus		0.			
5 Excess distributions carryover applied to 2013 (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 2012. Subtract line 4a from line 2a. Taxable amount - see instr.				0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014					1,565,038.
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 2008 not applied on line 5 or line 7		0.			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a		0.			
10 Analysis of line 9:					
a Excess from 2009					
b Excess from 2010					
c Excess from 2011					
d Excess from 2012					
e Excess from 2013					

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 2013, enter the date of the ruling ▶

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

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

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

H B ATWATER, JR

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 address of the person to whom applications should be addressed:

MARTHA C. ATWATER, 612-672-9603
636 FERNDALE AVENUE, WAYZATA, MN 55391

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

IN WRITING WITH SUPPORTING MATERIALS INDICATING CHARITABLE PURPOSE

c Any submission deadlines:

N/A

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

N/A

Part XV **Supplementary Information** (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
ABBOT NORTHWESTERN HOSPITAL 800 EAST 28TH STREER MINNEAPOLIS, MN 55407		PUBLIC CHARITY	OPERATIONAL	5,000.
ALEX'S LEMONADE STAND FOUNDATION 6480 WASHINGTON ST. YOUNTVILLE, CA 94599		PUBLIC CHARITY	OPERATIONAL	500.
AMERICAN CANCER SOCIETY 13 BEECH STREET JOHNSON CITY, NY 13790		PUBLIC CHARITY	OPERATIONAL	250.
AMERICAN MUSEUM OF NATIONAL HISTORY CENTRAL PARK WEST AT 79TH STREET NEW YORK , NY 10024		PUBLIC CHARITY	OPERATIONAL	500.
BERKELEY REPERTORY THEATER 999 HARRISON STREET BERKELEY , CA 94710		PUBLIC CHARITY	OPERATIONAL	1,500.
Total SEE CONTINUATION SHEET(S)			▶ 3a	2,789,781.
b Approved for future payment NONE				
Total			▶ 3b	0.

Form **990-PF** (2013)

323611
10-10-13

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
	(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					
4 Dividends and interest from securities			14	50,538.	
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	900099	71,653.	14	2,495,644.	
8 Gain or (loss) from sales of assets other than inventory			18	4,293,215.	
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)		71,653.		6,839,397.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 6,911,050.

(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).

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

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

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

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

▶ Signature of officer or trustee

11/14/14 Date

▶ VP 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
TERRANCE O'REILLY		11-7-14		P00068340

Firm's name ▶ CLIFTONLARSONALLEN LLP

Firm's EIN ▶ 41-0746749

Firm's address ▶ 220 SOUTH SIXTH STREET, SUITE 300
MINNEAPOLIS, MN 55402

Phone no. 612-376-4500

323622
10-10-13

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www irs gov/form990 .

OMB No. 1545-0047

2013

Name of the organization
PROSPECT CREEK FOUNDATION

Employer identification number
41-1736420

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☐ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☒ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

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

Special Rules

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

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

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

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

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.** **Schedule B (Form 990, 990-EZ, or 990-PF) (2013)**

323451
10-24-13

Name of organization

PROSPECT CREEK FOUNDATION

Employer identification number

41-1736420

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	H B ATWATER, JR 636 FERNDALE AVENUE WAYZATA, MN 55391	$ 1,200,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
PROSPECT CREEK FOUNDATION	41-1736420

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization	Employer identification number
PROSPECT CREEK FOUNDATION	41-1736420

Part III *Exclusively* religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once.) ▶ $

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
BREAKTHROUGH COLLABORATIVE 545 SANSOME STREET, SUITE 700 SAN FANCISCO, CA 94111		PUBLIC CHARITY	OPERATIONAL	5,000.
CALIFORNIA ACADEMY OF SCIENCES 55 MUSIC CONCOURSE DRIVE SAN FRANCISCO, CA 94118		PUBLIC CHARITY	OPERATIONAL	25,000.
CAMEO CINEMA 1340 MAIN STREET ST. HELENA, CA 94574		PUBLIC CHARITY	OPERATIONAL	5,000.
CARMEL AUTHORS & IDEAS FESTIVAL 601 CARLSON PARKWAY, SUITE 1050 MINNETONKA, MN 55305		PUBLIC CHARITY	OPERATIONAL	2,000.
CHAMBER MUSIC IN NAPA VALLEY 4050 SPRING MOUNTAINROAD ST. HELENA, CA 94574		PUBLIC CHARITY	OPERATIONAL	1,500.
CITIZENS LEAGUE 555 N WABASHA ST, SUITE 240 ST. PAUL, MN 55102		PUBLIC CHARITY	OPERATIONAL	500.
CLINIC OLE 1141 PEAR TREE LANE, SUITE 260 NAPA, CA 94558		PUBLIC CHARITY	OPERATIONAL	13,000.
COLLEGE POSSIBLE 540 FAIRVIEW AVENUE ST. PAUL, MN 55104		PUBLIC CHARITY	OPERATIONAL	2,000.
COMBAT SOLDIERS RECOVERY FUND 3804 WILLIAMS LANE CHEVY CHASE, MD 20815		PUBLIC CHARITY	OPERATIONAL	2,000.
CROSBY'S FUND 6480 WASHINGTON ST. YOUNTVILLE, CA 94599		PUBLIC CHARITY	OPERATIONAL	500.
Total from continuation sheets				2,782,031.

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
DAWN REDWOODS CHARITABLE TRUST 1 BLACKFIELD DRIVE, #331 TIBURON, CA 94920		PUBLIC CHARITY	OPERATIONAL	1,000.
EVANS SCHOLARS FOUNDATION 721 UNIVERSITY PLACE EVANSTON, IL 60201		PUBLIC CHARITY	OPERATIONAL	500.
FINE ARTS MUSEUM OF SAN FRANCISCO 233 POST STREET SAN FRANCISCO, CA 94108		PUBLIC CHARITY	OPERATIONAL	10,000.
FRIENDS OF THE HENNEPIN COUNTY LIBRARY 300 NICOLLET MALL MINNEAPOLIS, MN 55401		PUBLIC CHARITY	OPERATIONAL	2,000.
GALAPAGOS CONSERVANCY 11150 FAIRFAX BLVD., SUITE 408 FAIRFAX, VA 22040		PUBLIC CHARITY	OPERATIONAL	500.
GENTRY COUNTY SOIL & WATER CONSERVATION 512 EAST HIGHWAY 136 ALBANY, MO 64402		PUBLIC CHARITY	OPERATIONAL	500.
GRAYWOLF PRESS 2402 UNIVERSITY AVE, SUITE 203 ST. PAUL, MN 55114		PUBLIC CHARITY	OPERATIONAL	102,500.
GREATER MINNEAPOLIS CRISIS NURSERY 5400 GLENWOOD AVENUE MINNEAPOLIS, MN 55422		PUBLIC CHARITY	OPERATIONAL	1,000.
GUTHRIE THEATER 818 2ND STREET SO MINNEAPOLIS, MN 55415		PUBLIC CHARITY	OPERATIONAL	385,000.
HABITAT FOR HUMANITY 3001 4TH STREET SE MINNEAPOLIS, MN 55414		PUBLIC CHARITY	OPERATIONAL	2,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
HIGHPOINT CENTER FOR PRINTMAKING 2638 LYNDALE AVE SO MINNEAPOLIS, MN 55408		PUBLIC CHARITY	OPERATIONAL	1,000.
HOOVER INSTITUTION STANFORD UNIVERSITY, 326 GALVEZ STREET STANFORD, CA 94308		PUBLIC CHARITY	OPERATIONAL	10,000.
INTERFAITH OUTREACH 110 GRAND AVENUE SOUTH WAYZATA, MN 55391		PUBLIC CHARITY	OPERATIONAL	2,000.
KIPP FOUNDATION 1601 LAUREL AVENUE MINNEAPOLIS, MN 55424		PUBLIC CHARITY	OPERATIONAL	10,320.
LAND TRUST OF NAPA VALLEY 1700 SOSCOL AVENUE, SUITE 20 NAPA, CA 94559		PUBLIC CHARITY	OPERATIONAL	2,500.
LAW CENTER TO PREVENT GUN VIOLENCE 268 BUSH STREET, #555 SAN FRANCISCO, CA 94104		PUBLIC CHARITY	OPERATIONAL	10,000.
MACPHAIL CENTER FOR MUSIC 1128 LASALLE AVENUE MINNEAPOLIS, MN 55403		PUBLIC CHARITY	OPERATIONAL	1,000.
MARIN ACADEMY 1600 MISSION AVENUE SAN RAFAEL, CA 94901		PUBLIC CHARITY	OPERATIONAL	2,000.
MAYO FOUNDATION 200 1ST STREET SW ROCHESTER, MN 55905		PUBLIC CHARITY	OPERATIONAL	696,001.
MENTORING PARTNERSHIP OF MINNESOTA 81 SOUTH 9TH STREET, SUITE 200 MINNEAPOLIS, MN 55402		PUBLIC CHARITY	OPERATIONAL	1,500.
Total from continuation sheets				

Part XV **Supplementary Information**

3 Grants and Contributions Paid During the Year (Continuation)

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
MIDWEST ART CONSERVATION CENTER 2400 3RD AVENUE SOUTH MINNEAPOLIS, MN 55404		PUBLIC CHARITY	OPERATIONAL	1,000.
MINNEAPOLIS CHESS 807 BROADWAY STREET, NE MINNEAPOLIS, MN 55413		PUBLIC CHARITY	OPERATIONAL	2,000.
MINNEAPOLIS COLLEGE OF ART & DESIGN 2501 STEVENS AVENUE MINNEAPOLIS, MN 55404		PUBLIC CHARITY	OPERATIONAL	1,000.
MINNEAPOLIS INSTITUTE OF ARTS 2400 3RD AVENUE SOUTH MINNEAPOLIS, MN 55404		PUBLIC CHARITY	OPERATIONAL	20,000.
MINNESOTA CHILDREN'S MUSEUM 10 WEST SEVENTH STREET ST. PAUL, MN 55102		PUBLIC CHARITY	OPERATIONAL	1,500.
MINNESOTA HISTORICAL SOCIETY 345 KELLOGG BLVD ST. PAUL, MN 55102		PUBLIC CHARITY	OPERATIONAL	2,500.
MINNESOTA INTERNATIONAL CENTER 711 EAST RIVER ROAD MINNEAPOLIS, MN 55455		PUBLIC CHARITY	OPERATIONAL	1,000.
MINNESOTA LAND TRUST 2356 UNIVERSITY AVENUE WEST, SUITE 240 ST. PAUL, MN 55114		PUBLIC CHARITY	OPERATIONAL	1,000.
MINNESOTA LANDSCAPE ARBORETUM 3675 ARBORETUM DRIVE CHASKA, MN 55318		PUBLIC CHARITY	OPERATIONAL	3,000.
MINNESOTA OPERA 620 NORTH 1ST ST MINNEAPOLIS, MN 55401		PUBLIC CHARITY	OPERATIONAL	30,000.
Total from continuation sheets				

323631
05-01-13

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
MINNESOTA ORCHESTRA 1111 NICOLLET MALL MINNEAPOLIS, MN 55403		PUBLIC CHARITY	OPERATIONAL	15,000.
MINNESOTA PUBLIC RADIO 480 CEDAR STREET ST. PAUL, MN 55101		PUBLIC CHARITY	OPERATIONAL	4,000.
MINNESOTA ZOO 13000 ZOO BLVD APPLE VALLEY, MN 55124		PUBLIC CHARITY	OPERATIONAL	2,000.
MINNETONKA CENTER FOR THE ARTS 2240 NORTH SHORE DRIVE WAYZATA, MN 55391		PUBLIC CHARITY	OPERATIONAL	2,000.
MIXED BLOOD THEATRE 1501 SOUTH FOURTH STREET MINNEAPOLIS, MN 55454		PUBLIC CHARITY	OPERATIONAL	1,000.
MOMA 11 WEST 53RD STREET NEW YORK, NY 10019		PUBLIC CHARITY	OPERATIONAL	1,000.
MUSIC IN THE VINEYARDS 1020 CLINTON STREET, #201 NAPA, CA 94559		PUBLIC CHARITY	OPERATIONAL	1,500.
NAPA VALLEY COMMUNITY FOUNDATION 3299 CLAREMONT STREET NAPA, CA 94558		PUBLIC CHARITY	OPERATIONAL	1,000.
NAPA VALLEY HERITAGE FUND PO BOX 162 ST. HELENA, CA 94577		PUBLIC CHARITY	OPERATIONAL	1,000.
NAPA VALLEY OPERA HOUSE 1000 MAIN STREET, SUITE 150 NAPA, CA 94559		PUBLIC CHARITY	OPERATIONAL	10,000.
Total from continuation sheets				

323631
05-01-13

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
NAPA VALLEY WRITER'S CONFERENCE 2277 NAPA-VALLEJO HIGHWAY NAPA, CA 94558		PUBLIC CHARITY	OPERATIONAL	1,000.
NATIONAL FILM PRESERVE 870 MARKET STREET SAN FRANCISCO, CA 94102		PUBLIC CHARITY	OPERATIONAL	25,000.
NEW CITY SCHOOL 229 13TH AVENUE NE MINNEAPOLIS, MN 55413		PUBLIC CHARITY	OPERATIONAL	150,000.
NORTHERN CLAY CENTER 2424 FRANKLIN AVENUE EAST MINNEAPOLIS, MN 55405		PUBLIC CHARITY	OPERATIONAL	2,000.
OUR FOOD CHAIN 1600 VENTURA BLVD ENCINO, CA 91436		PUBLIC CHARITY	OPERATIONAL	55,000.
PAGE EDUCATION FOUNDATION PO BOX 581254 MINNEAPOLIS, MN 55461		PUBLIC CHARITY	OPERATIONAL	1,000.
PARASOL UNIT 15 WHARF ROAD N UNITED KINGDOM 7RW		PUBLIC CHARITY	OPERATIONAL	15,000.
PARKS & TRAILS COUNCIL OF MINNESOTA 275 EAST 4TH STREET, SUITE 642 ST. PAUL, MN 55101		PUBLIC CHARITY	OPERATIONAL	1,000.
PATHWAYS 3115 HENNEPIN AVENUE SOUTH MINNEAPOLIS, MN 55408		PUBLIC CHARITY	OPERATIONAL	5,000.
PEOPLE INCORPORATED 2060 CENTRE POINT BLVD ST. PAUL, MN 55120		PUBLIC CHARITY	OPERATIONAL	1,000.
Total from continuation sheets				

323631
05-01-13

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
PHILANTHROPY ROUNDTABLE 1730 M STREET NW, SUITE 601 WASHINGTON DC, DC 20036		PUBLIC CHARITY	OPERATIONAL	1,500.
PLANNED PARENTHOOD 1200 LAGOON AVENUE MINNEAPOLIS, MN 55408		PUBLIC CHARITY	OPERATIONAL	5,000.
POMONA COLLEGE 333 NORTH COLLEGE WAY CLAREMONT, CA 91711		PUBLIC CHARITY	OPERATIONAL	12,000.
PRINCETON UNIVERSITY 200 ELM DRIVE PRINCETON, NJ 08547		PUBLIC CHARITY	OPERATIONAL	35,050.
PROJECT FOR PRICE IN LIVING 1035 EAST FRANKLIN AVENUE MINNEAPOLIS, MN 55404		PUBLIC CHARITY	OPERATIONAL	2,000.
PROJECT SUCCESS 2124 DUPONT AVE SO MINNEAPOLIS, MN 55405		PUBLIC CHARITY	OPERATIONAL	1,000.
PUBLIC RADIO INTERNATIONAL 401 2ND AVENUE NORTH MINNEAPOLIS, MN 55402		PUBLIC CHARITY	OPERATIONAL	1,500.
RIANDA HOUSE 1475 MAIN STREET ST. HELENA, CA 94574		PUBLIC CHARITY	OPERATIONAL	660.
RUTHERFORD VOLUNTEER FIRE DEPARTMENT 1199 BIG TREE ROAD ST. HELENA, CA 94574		PUBLIC CHARITY	OPERATIONAL	500.
SAN FRANCISCO MUSEUM OF MODERN ART 151 THIRD STREET SAN FRANCISCO, CA 94574		PUBLIC CHARITY	OPERATIONAL	200,000.
Total from continuation sheets				

323631
05-01-13

Part XV **Supplementary Information**

3 Grants and Contributions Paid During the Year (Continuation)

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
SAN FRANCISCO OPERA 301 VAN NESS AVENUE SAN FRANCISCO, CA 94102		PUBLIC CHARITY	OPERATIONAL	4,000.
SAVE THE LAKE 18338 MINNETONKA BLVD DEEPHAVEN, MN 55391		PUBLIC CHARITY	OPERATIONAL	1,000.
SCIENCE MUSEUM OF MINNESOTA 120 KELLOGG BLVD ST. PAUL, MN 55102		PUBLIC CHARITY	OPERATIONAL	5,000.
ST. HELENA FAMILY CENTER 1440 SPRING STREET ST. HELENA, CA 94574		PUBLIC CHARITY	OPERATIONAL	1,000.
ST. HELENA FARMER'S MARKET PO BOX 70 ST. HELENA, CA 94577		PUBLIC CHARITY	OPERATIONAL	1,000.
ST. HELENA HOSPITAL FOUNDATION 10 WOODLAND ROAD ST. HELENA, CA 94574		PUBLIC CHARITY	OPERATIONAL	35,000.
ST. PAUL CHAMBER ORCHESTRA 408 ST. PETER STREET ST. PAUL, MN 55102		PUBLIC CHARITY	OPERATIONAL	5,000.
STANFORD GRADUATE SCHOOL OF BUSINESS 326 GALVEZ STREET STANFORD, CA 94305		PUBLIC CHARITY	OPERATIONAL	10,000.
STORE TO DOOR 1821 UNIVERSITY AVE WEST, SUITE 112 ST. PAUL, MN 55104		PUBLIC CHARITY	OPERATIONAL	1,000.
SUMMIT ACADEMY 935 OLSON MEMORIAL HIGHWAY MINNEAPOLIS, MN 55405		PUBLIC CHARITY	OPERATIONAL	2,500.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
TEACH FOR AMERICA 401 2ND AVENUE NORTH MINNEAPOLIS, MN 55401		PUBLIC CHARITY	OPERATIONAL	25,000.
TEEN WISE MINNESOTA 1619 DAYTON AVENUE ST. PAUL, MN 55104		PUBLIC CHARITY	OPERATIONAL	1,000.
TELLURIDE FILM FESTIVAL 800 JONES STREET BERKELEY, CA 94710		PUBLIC CHARITY	OPERATIONAL	10,500.
THE BLAKE SCHOOL 110 BLAKE ROAD SOUTH HOPKINS, MN 55343		PUBLIC CHARITY	OPERATIONAL	15,000.
THE BRIDGE 2200 EMERSON AVENUE SO MINNEAPOLIS, MN 55405		PUBLIC CHARITY	OPERATIONAL	1,000.
THE CENTER FOR VICTIMS OF TORTURE 649 DAYTON AVENUE ST. PAUL, MN 55104		PUBLIC CHARITY	OPERATIONAL	2,000.
THE CHILDRENS THEATER COMPANY 2400 3RD AVENUE SOUTH MINNEAPOLIS, MN 55404		PUBLIC CHARITY	OPERATIONAL	3,000.
THE COWLES CENTER 528 HENNEPIN AVENUE MINNEAPOLIS, MN 55403		PUBLIC CHARITY	OPERATIONAL	2,000.
THE JUNGLE THEATER 2951 LYNDALE AVENUE SOUTH MINNEAPOLIS, MN 55408		PUBLIC CHARITY	OPERATIONAL	1,000.
THE NATURE CONSERVANCY 1101 WEST RIVER PARKWAY, SUITE 200 MINNEAPOLIS, MN 55415		PUBLIC CHARITY	OPERATIONAL	29,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
THE OXBOW SCHOOL 503 3RD AVENUE NAPA, CA 94559		PUBLIC CHARITY	OPERATIONAL	2,000.
THE PLAYWIGHTS' CENTER 2301 FRANKLIN AVENUE EAST MINNEAPOLIS, MN 55406		PUBLIC CHARITY	OPERATIONAL	1,000.
THE TRUST FOR PUBLIC LAND 2610 UNIVERSITY AVENUE, SUITE 300 ST. PAUL, MN 55114		PUBLIC CHARITY	OPERATIONAL	2,000.
THE WHITE BARN 2727 SULPHUR SPRINGS AVENUE ST. HELENA, CA 94574		PUBLIC CHARITY	OPERATIONAL	1,000.
TUBMAN FAMILY ALLIANCE 3111 FIRST AVE SO MINNEAPOLIS, MN 55408		PUBLIC CHARITY	OPERATIONAL	1,000.
TWIN CITIES PUBLIC TELEVISION 172 EAST 4TH STREET ST. PAUL, MN 55101		PUBLIC CHARITY	OPERATIONAL	2,500.
UCSF FOUNDATION BOX 0248 SAN FRANCISCO, CA 94146		PUBLIC CHARITY	OPERATIONAL	1,500.
UNITED WAY 404 SOUTH 8TH STREET MINNEAPOLIS, MN 55404		PUBLIC CHARITY	OPERATIONAL	35,000.
UNITED WORLD COLLEGE PO BOX 248 MONTEZUMA, NM 87734		PUBLIC CHARITY	OPERATIONAL	75,000.
UNIVERSITY OF MINNESOTA 420 DELAWARE STREET SE MINNEAPOLIS, MN 55455		PUBLIC CHARITY	OPERATIONAL	400,000.
Total from continuation sheets				

323631
05-01-13

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
WALKER ART CENTER 1750 HENNEPIN AVENUE MINNEAPOLIS, MN 55403		PUBLIC CHARITY	OPERATIONAL	160,000.
WAYZATA CRIME PREVENTION COALITION 402 EAST LAKE STREET WAYZATA, MN 55391		PUBLIC CHARITY	OPERATIONAL	500.
WEISMAN ART MUSEUM 333 EAST RIVER ROAD MINNEAPOLIS, MN 55455		PUBLIC CHARITY	OPERATIONAL	2,000.
WERNER HERZOG THEATRE 800 JONES STREET BERKELEY, CA 94710		PUBLIC CHARITY	OPERATIONAL	25,000.
WILDERNESS INQUIRY 808 14TH AVENUE SE MINNEAPOLIS, MN 55414		PUBLIC CHARITY	OPERATIONAL	2,000.
WOLF RIDGE ENVIRONMENTAL LEARNING CENTER 6282 CRANBERRY ROAD FINLAND, MN 55603		PUBLIC CHARITY	OPERATIONAL	1,000.
WOMEN VENTURE 2324 UNIVERSITY AVE ST. PAUL, MN 55114		PUBLIC CHARITY	OPERATIONAL	1,000.
Total from continuation sheets				

323631
05-01-13

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
DIVIDENDS	42,177.	0.	42,177.	42,177.	42,177.
INTEREST	16,268.	0.	16,268.	16,268.	16,268.
PURCHASED INTEREST	-7,907.	0.	-7,907.	-7,907.	-7,907.
TO PART I, LINE 4	50,538.	0.	50,538.	50,538.	50,538.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP K-1 INCOME SEE STATEMENT 13	2,567,297.	141,400.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	2,567,297.	141,400.	0.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	11,795.	0.	0.	11,795.
TO FORM 990-PF, PG 1, LN 16B	11,795.	0.	0.	11,795.

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
INVESTMENT MANAGEMENT FEES	32,283.	32,283.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	32,283.	32,283.	0.	0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FORM 990-PF TAXES	125,000.	0.	0.	0.
MINNESOTA FILING FEE	25.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	125,025.	0.	0.	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
WIRE TRANSFER FEES	335.	0.	0.	335.
MISCELLANEOUS	25,285.	0.	0.	25,285.
TO FORM 990-PF, PG 1, LN 23	25,620.	0.	0.	25,620.

FOOTNOTES STATEMENT 7

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT 14	X		8,267,636.	8,260,960.
TOTAL U.S. GOVERNMENT OBLIGATIONS			8,267,636.	8,260,960.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			8,267,636.	8,260,960.

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT 14	1,585,039.	3,095,622.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,585,039.	3,095,622.

FORM 990-PF OTHER INVESTMENTS STATEMENT 10

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
PARTNERSHIPS - SEE STATEMENT 14	COST	37,262,505.	37,088,584.
TOTAL TO FORM 990-PF, PART II, LINE 13		37,262,505.	37,088,584.

PROSPECT CREEK FOUNDATION
41-1736420 FORM 990-PF
YEAR ENDING 12/31/13

	STCG	LTCG
McDonald Capital Management	-	102,514
Charles Schwab #4346	(1,621)	91
	$ (1,621)	$ 102,605

STATEMENT 11

McDonald Capital Investors

REALIZED GAINS AND LOSSES

Prospect Creek Foundation

From 01-01-13 Through 12-31-13

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
07-09-03	01-17-13	250	Clorox	10,738.64	19,198 64		8,460 00
07-09-03	02-04-13	325	Clorox	13,960.23	26,050 00		12,089.77
10-24-00	05-01-13	1	CAH Litigation Settlement	42.17	42.17		0 00
05-06-11	06-07-13	125	Wells Fargo Inc.	3,540 66	5,139.01		1,598.35
07-20-11	08-01-13	60	Ecolab Inc.	3,069.80	5,608 94		2,539.14
03-18-04	08-23-13	200	Microsoft Corp	4,975.83	6,930.25		1,954.42
05-02-06	08-23-13	1,125	Microsoft Corp	27,171 63	38,982.69		11,811.06
07-03-08	08-23-13	250	Microsoft Corp	6,481.47	8,662.82		2,181.35
05-02-06	10-24-13	450	Microsoft Corp	10,868.65	16,025.92		5,157 27
05-02-06	11-05-13	775	Microsoft Corp	18,718 23	28,294.86		9,576.63
05-02-06	11-06-13	450	Microsoft Corp	10,868.65	16,940.09		6,071.44
03-22-05	11-06-13	100	Microsoft Corp	2,399 90	3,764.47		1,364.57
03-22-05	11-14-13	550	Microsoft Corp	13,199.45	20,903.72		7,704.27
07-16-03	12-09-13	480	Nike Inc. Class B	6,340.63	38,346.36		32,005.73
TOTAL GAINS						0 00	102,514.01
TOTAL LOSSES						0.00	0.00
				132,375.93	**234,889.94**	**0.00**	**102,514.01**

TOTAL REALIZED GAIN/LOSS 102,514.01

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2013 Year-End Schwab Gain/Loss Report

Accounting Method
Mutual Funds: Average
All Other Investments: First In First Out [FIFO]

Realized Gain or (Loss)

Short-Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
FED FARM CR BK 0.36XXX** CALLED **DUE 06/25/14@ PAR EFF 06: 3133EAVR6	150,000.0000	06/04/13	06/25/13	$150,000.00	$150,013.20	($13.20)
Security Subtotal				**$150,000.00**	**$150,013.20**	**($13.20)**
FED FARM CR BK 0.37XXX** CALLED **DUE 06/11/14@ PAR EFF 06: 3133EATN8	175,000.0000	05/01/13	06/11/13	$175,000.00	$175,029.05	($29.05)
Security Subtotal				**$175,000.00**	**$175,029.05**	**($29.05)**
FED HM LN MTG 0%13DISC NOTES DUE 02/07/13: 313397BP5	200,000.0000	01/16/13	01/30/13	$199,999.11	$199,990.22	$8.89
Security Subtotal				**$199,999.11**	**$199,990.22**	**$8.89**
FED HM LN MTG 0.5XXX** CALLED **DUE 02/21/14@ PAR EFF 02: 3134G3LZ1	150,000.0000	11/09/12	02/21/13	$150,000.00	$150,109.50	($109.50)
FED HM LN MTG 0.5XXX** CALLED **DUE 02/21/14@ PAR EFF 02: 3134G3LZ1	50,000.0000	01/04/13	02/21/13	$50,000.00	$50,018.30	($18.30)
FED HM LN MTG 0.5XXX** CALLED **DUE 02/21/14@ PAR EFF 02: 3134G3LZ1	75,000.0000	01/28/13	02/21/13	$75,000.00	$75,013.73	($13.73)
Security Subtotal				**$275,000.00**	**$275,141.53**	**($141.53)**
FED HOME LN BK 0%13DISC NOTES DUE 07/08/13: 313385HW9	200,000.0000	06/12/13	06/21/13	$199,994.33	$199,993.06	$1.27

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SIPC

2013 Year-End Schwab Gain/Loss Report

Accounting Method
Mutual Funds: Average
All Other Investments: First In First Out [FIFO]

Realized Gain or (Loss) (continued)

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
FED HOME LN BK 0%13DISC NOTES DUE 07/08/13: 313385HW9	100,000.0000	06/12/13	07/02/13	$99,999.33	$99,996.53	$2.80
FED HOME LN BK 0%13DISC NOTES DUE 07/08/13: 313385HW9	200,000.0000	06/12/13	07/05/13	$199,999.17	$199,993.05	$6.12
Security Subtotal				**$499,992.83**	**$499,982.64**	**$10.19**
FED HOME LN BK 0%13NOTES DUE 01/11/13: 313385AL0	100,000.0000	12/20/12	01/08/13	$99,999.58	$99,998.83	$0.75
Security Subtotal				**$99,999.58**	**$99,998.83**	**$0.75**
FED HOME LN BK 0%13NOTES DUE 02/06/13: 313385BN5	100,000.0000	11/09/12	01/29/13	$99,999.11	$99,966.63	$32.48
FED HOME LN BK 0%13NOTES DUE 02/06/13: 313385BN5	200,000.0000	11/09/12	01/30/13	$199,998.64	$199,933.25	$65.39
Security Subtotal				**$299,997.75**	**$299,899.88**	**$97.87**
FED HOME LN BK 0%13NOTES DUE 02/22/13: 313385CE4	200,000.0000	01/24/13	02/21/13	$199,999.72	$199,989.11	$10.61
Security Subtotal				**$199,999.72**	**$199,989.11**	**$10.61**

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2013 Year-End Schwab Gain/Loss Report

Accounting Method
Mutual Funds: Average
All Other Investments: First In First Out [FIFO]

Realized Gain or (Loss) (continued)

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
FED HOME LN BK 0%13NOTES DUE 05/17/13: 313385FS0	100,000.0000	04/18/13	05/15/13	$99,999.89	$99,995.72	$4.17
Security Subtotal				**$99,999.89**	**$99,995.72**	**$4.17**
FED HOME LN BK 0%13NOTES DUE 06/05/13: 313385GM2	200,000.0000	03/06/13	05/28/13	$199,998.22	$199,941.86	$56.36
FED HOME LN BK 0%13NOTES DUE 06/05/13: 313385GM2	100,000.0000	03/06/13	06/04/13	$99,999.86	$99,970.93	$28.93
Security Subtotal				**$299,998.08**	**$299,912.79**	**$85.29**
FED HOME LN BK 0%13NOTES DUE 07/12/13: 313385JA5	100,000.0000	06/14/13	07/08/13	$99,999.45	$99,995.72	$3.73
Security Subtotal				**$99,999.45**	**$99,995.72**	**$3.73**
FED HOME LN BK 0%13NOTES DUE 07/17/13: 313385JF4	100,000.0000	05/08/13	07/15/13	$99,999.89	$99,988.34	$11.55
Security Subtotal				**$99,999.89**	**$99,988.34**	**$11.55**
FED HOME LN BK 0%13NOTES DUE 10/02/13: 313385ML7	200,000.0000	08/05/13	09/30/13	$199,999.89	$199,985.50	$14.39
Security Subtotal				**$199,999.89**	**$199,985.50**	**$14.39**

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2013 Year-End Schwab Gain/Loss Report

Accounting Method
Mutual Funds: Average
All Other Investments: First In First Out [FIFO]

Realized Gain or (Loss) (continued)

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
FED HOME LN BK 0%13NOTES DUE 10/16/13: 313385NA0	100,000.0000	05/03/13	10/11/13	$99,997.92	$99,953.89	$44.03
Security Subtotal				**$99,997.92**	**$99,953.89**	**$44.03**
FED HOME LN BK 2.5XXX** CALLED **DUE 11/30/15@ PAR EFF 05: 3133734H2	175,000.0000	12/20/12	05/30/13	$175,000.00	$176,736.00	($1,736.00)
Security Subtotal				**$175,000.00**	**$176,736.00**	**($1,736.00)**
FED HOME LN BK 0.25XXX** CALLED **DUE 04/10/14@ PAR EFF 05: 313382LY7	150,000.0000	03/19/13	05/10/13	$150,000.00	$150,000.00	$0.00
Security Subtotal				**$150,000.00**	**$150,000.00**	**$0.00**
FED HOME LN BK 0.35XXX** CALLED **DUE 07/17/13@ PAR EFF 01: 313376R98	200,000.0000	12/11/12	01/17/13	$200,000.00	$200,037.00	($37.00)
Security Subtotal				**$200,000.00**	**$200,037.00**	**($37.00)**
FED NATL MTG 0%13NOTES DUE 05/08/13: 313589FH1	100,000.0000	02/14/13	05/02/13	$99,999.42	$99,972.33	$27.09
Security Subtotal				**$99,999.42**	**$99,972.33**	**$27.09**
FED NATL MTG 0%13NOTES DUE 10/23/13: 313589NH2	100,000.0000	05/08/13	10/11/13	$99,994.50	$99,953.33	$41.17
Security Subtotal				**$99,994.50**	**$99,953.33**	**$41.17**

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2013 Year-End Schwab Gain/Loss Report

Accounting Method
Mutual Funds: Average
All Other Investments: First In First Out [FIFO]

Realized Gain or (Loss) (continued)

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
FHLMC 0%13 DUE 10/24/13: 313385NJ1	200,000.0000	05/01/13	10/23/13	$199,999.94	$199,892.44	$107.50
Security Subtotal				**$199,999.94**	**$199,892.44**	**$107.50**
FHLMC 0% 13 DUE 11/01/13: 313385NS1	100,000.0000	05/09/13	10/23/13	$99,999.50	$99,952.33	$47.17
Security Subtotal				**$99,999.50**	**$99,952.33**	**$47.17**
FHLMC 0% 13 DUE 12/19/13: 313397QS3	200,000.0000	08/08/13	12/11/13	$199,998.23	$199,945.00	$53.23
FHLMC 0% 13 DUE 12/19/13: 313397QS3	200,000.0000	08/14/13	12/11/13	$199,998.22	$199,940.50	$57.72
Security Subtotal				**$399,996.45**	**$399,885.50**	**$110.95**
FNMA 0.825XXX**CALLED** @PAR EFF: 12: 3135G0GM9	250,000.0000	09/26/13	12/23/13	$250,000.00	$250,370.00	($370.00)
Security Subtotal				**$250,000.00**	**$250,370.00**	**($370.00)**
US TREAS BILL 0%03/13UST BILL DUE 03/21/13: 9127957M7	100,000.0000	02/22/13	02/27/13	$99,996.85	$99,992.93	$3.92
Security Subtotal				**$99,996.85**	**$99,992.93**	**$3.92**

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2013 Year-End Schwab Gain/Loss Report

Accounting Method
Mutual Funds: Average
All Other Investments: First In First Out [FIFO]

Realized Gain or (Loss) (continued)

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
US TREAS BILL 0%05/13UST BILL DUE 05/16/13: 912796AG4	300,000.0000	04/17/13	05/13/13	$299,999.66	$299,989.50	$10.16
Security Subtotal				**$299,999.66**	**$299,989.50**	**$10.16**
US TREAS BILL 0%06XXX**MATURED**UE 06/17/13: 912796ES4	200,000.0000	05/31/13	06/17/13	$200,000.00	$199,997.83	$2.17
Security Subtotal				**$200,000.00**	**$199,997.83**	**$2.17**
US TREAS BILL 0%08XXX**MATURED** DUE 08/15/13: 912796AX7	100,000.0000	07/17/13	08/15/13	$100,000.00	$99,998.83	$1.17
Security Subtotal				**$100,000.00**	**$99,998.83**	**$1.17**
US TREAS BILL 0%10/13UST BILL DUE 10/03/13: 912796BD0	200,000.0000	09/16/13	09/24/13	$199,999.90	$199,999.91	($0.01)
Security Subtotal				**$199,999.90**	**$199,999.91**	**($0.01)**
US TREASURY BILL13U S T BILL DUE 10/24/13: 912796BG3	200,000.0000	10/03/13	10/23/13	$200,000.08	$199,986.67	$13.41
Security Subtotal				**$200,000.08**	**$199,986.67**	**$13.41**
US TREASURY BILL13U S T BILL DUE 12/12/13: 912796AK5	700,000.0000	11/14/13	12/10/13	$699,999.22	$699,972.70	$26.52

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2013 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

Accounting Method
Mutual Funds: Average
All Other Investments: First In First Out [FIFO]

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
US TREASURY BILL13U S T BILL DUE 12/12/13: 912796AK5	600,000.0000	11/14/13	12/11/13	$599,999.75	$599,976.60	$23.15
Security Subtotal				**$1,299,998.97**	**$1,299,949.30**	**$49.67**
Total Short-Term				**$6,874,969.38**	**$6,876,590.32**	**($1,620.94)**

Long-Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
FED HM LN MTG FLT 2XXX**MATURED** DUE 05/03/13: 3134G2GJ5	150,000.0000	04/29/11	05/03/13	$150,000.00	$149,908.80	$91.20
Security Subtotal				**$150,000.00**	**$149,908.80**	**$91.20**
FFCB 0.1655XXX**MATURED**: 31331KLJ7	175,000.0000	05/18/11	11/18/13	$175,000.00	$175,000.00	$0.00
Security Subtotal				**$175,000.00**	**$175,000.00**	**$0.00**
Total Long-Term				**$325,000.00**	**$324,908.80**	**$91.20**

Total Realized Gain or (Loss)				**$7,199,969.38**	**$7,201,499.12**	**($1,529.74)**

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Schwab has provided realized gain/loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. See Terms and Conditions.
Option Customers: Realized gain/loss of underlying securities is adjusted to reflect the premiums of assigned or exercised options.

PROSPECT CREEK FOUNDATION
41-1736420 FORM-PF
YEAR ENDING 12/31/13

PARTNERSHIP	STCG	LTCG
BAUPOST VALUE LP - I	355,414	1,155,220
FARALLON CAPITAL PARTERNS, L.P.	-	(24,432)
FCOI II HOLDINGS, LP	-	-
PRIME-SCRC LP	24	121
VALUEACT CAPITAL PARTNERS II, L.P.	70,544	514,111
SPO PARTNERS II, L.P.	-	1,863,822
Marathon Fund Limited Partnership V		82,638
HCP WPPE X INVESTORS, LLC	(1,382)	176,151
TOTALS FROM PARTNERSHIPS	424,600	3,767,631

PROSPECT CREEK FOUNDATION
41-1736420 FORM-PF
YEAR ENDING 12/31/13

PARTNERSHIP	ORDINARY INCOME(LOSS)	RENTAL INCOME(LOSS)	INTEREST	DIVIDENDS	OTHER INCOME	PORTFOLIO DEDUCTIONS	INTEREST EXPENSE	TOTALS
BAUPOST VALUE LP - I	20,089	(25,522)	70,972	42,154	182,784	(65,472)	(6,227)	218,778
FARALLON CAPITAL PARTERNS, L P	(23,530)	(20)	183	-	-	(28)		(23,395)
HCP WPPE X INVESTORS, LLC	(832)	-	5,405	22,249	3,587	(32,159)	(1,148)	(2,898)
PRIME FINANCE	-	-	-	-		-	-	-
PRIME-SCRC LP	1	2,675	51	9	38	(36)	(25)	2,713
VALUEACT CAPITAL PARTNERS II, L P	-	-	398	45,025	(1,072)	(29,563)	-	14,788
SPO PARTNERS II, L P	(130)	-	47	58,967	131	(134,729)	-	(75,714)
FCOI II - WATERSHED CAPITAL PARTNERS								-
FCOI II - FLATIRON RE	1,160							1,160
FCOI II - COMPUTERSHARE TRUST CO OF CANADA	83							83
FCOI II - FONDUL PROPRIETATEA S A	646							646
FCOI II - FCOI II INVESTMENTS, LTD								-
FCOI II - HAMLET BLOCKER, LTD	51							51
FCOI II - ENSINO SUPERIOR BUREAU JURIDICIO SA	145							145
FCOI II - LEBLON EQUITIES PARTNERS FUND LTD								-
FCOI II - LEBLON VALUE HEDGE FUND LTD								-
FCOI II - CRCM INSTITUTIONAL FUND (BVI), LTD								-
MARATHON FUND LIMITED PARTNERSHIP	-	(166)	5,350	-	-	(141)		5,043
TOTALS FROM PARTNERSHIPS	(2,317)	(23,033)	82,406	168,404	185,468	(262,128)	(7,400)	141,400

Prospect Creek Foundation
Asset Summary - Cost & FMV
at 12/31/2013

	LOWRY HILL	SCHWAB #4346	SCHWAB #5313	McDONALD CAPITAL	CHKING	PRTNRSHPS	RECEIVABLE NAPA VALLEY	TOTALS
AT COST - 2012								
Cash					18,934			18,934
Money Market	-	79,547	668,688	86,238				834,473
Equities				1,675,686				1,675,686
Corporate Bonds				-				-
Government Securities		5,261,035						5,261,035
Other						37,956,843		37,956,843
	-	5,340,582	668,688	1,761,924	18,934	37,956,843	-	45,746,971
AT COST - 2013								
Cash					16,153			16,153
Money Market	-	2,887,472	559,282	295,946				3,742,700
Equities				1,585,039				1,585,039
Corporate Bonds				-				-
Government Securities		8,267,636						8,267,636
Other						37,262,505		37,262,505
	-	11,155,107	559,282	1,880,985	16,153	37,262,505	-	50,874,033
AT FMV - 2013								
Cash					16,153			16,153
Money Market		2,887,472	559,282	295,946				3,742,700
Equities				3,095,622				3,095,622
Corporate Bonds				-				-
Government Securities		8,260,960						8,260,960
Other						37,088,584		37,088,584
	-	11,148,432	559,282	3,391,568	16,153	37,088,584	-	52,204,019

Investment Detail - Fixed Income

Agency Securities	Par	Market Price	Market Value	% of Account Assets	Unrealized Gain or (Loss)	Estimated Annual Income
	Units Purchased	Cost Per Unit	Cost Basis	Acquired		Yield to Maturity
FED HOME LN BKS 0.375%18	250,000.0000	100.0009	250,002.25	2%	2.25	N/A
DUE 12/27/18	250,000.0000	100.0000	250,000.00	12/13/13	2.25	N/A
MULTI STEP CPN						
CALLABLE 03/27/14 AT 100.00000						
CUSIP: 3130A0H94						
MOODY'S: Aaa S&P: AA+						
FFCB 4.9%14	160,000.0000	100.1843	160,294.88	1%	(3,711.32)	7,840.00
DUE 01/16/14	150,000.0000	102.6100	153,915.00	06/20/13	(3,638.55)	0.30%
CUSIP: 31331XLH3	10,000.0000	100.9120	10,091.20	11/05/13	(72.77)	0.20%
MOODY'S: Aaa S&P: AA+						
Cost Basis			*164,006.20*			*Accrued Interest: 3,593.33*
FHLB 0%14	400,000.0000	99.9996	399,998.40	4%	5.51	N/A
DUE 01/03/14	400,000.0000	99.9982	399,992.89	12/18/13	5.51	0.03%
CUSIP: 313385RH1						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%14	300,000.0000	99.9934	299,980.20	3%	103.95	N/A
DUE 01/17/14	300,000.0000	99.9587	299,876.25	08/05/13	103.95	0.09%
CUSIP: 313385RX6						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%14	100,000.0000	99.9904	99,990.40	<1%	34.15	N/A
DUE 01/24/14	100,000.0000	99.9562	99,956.25	08/02/13	34.15	0.09%
CUSIP: 313385SE7						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%14	900,000.0000	99.9793	899,813.70	8%	(68.18)	N/A
DUE 02/12/14	900,000.0000	99.9868	899,881.88	12/10/13	(68.18)	0.07%
CUSIP: 313385SZ0						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*

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Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Fixed Income (continued)

Agency Securities (continued)	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
FHLB 0%14	200,000.0000	99.9443	199,888.60	2%	(36.46)	N/A
DUE 04/04/14	200,000.0000	99.9625	199,925.06	11/13/13	(36.46)	0.09%
CUSIP: 313385VC7						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%14	400,000.0000	99.9494	399,797.60	4%	4.16	N/A
DUE 05/14/14	400,000.0000	99.9483	399,793.44	11/26/13	4.16	0.11%
CUSIP: 313385WU6						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%14	400,000.0000	99.9460	399,784.00	4%	13.33	N/A
DUE 05/23/14	400,000.0000	99.9426	399,770.67	12/02/13	13.33	0.12%
CUSIP: 313385XD3						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0.11%14	700,000.0000	99.9932	699,952.40	6%	(45.86)	N/A
DUE 05/01/14	500,000.0000	100.0006	500,003.46	05/10/13	(37.46)	N/A
CUSIP: 313382WF6	200,000.0000	99.9974	199,994.80	08/15/13	(8.40)	N/A
MOODY'S: Aaa S&P: AA+						
Cost Basis			*699,998.26*			
FHLB 3.25%16	250,000.0000	100.7430	251,857.50	2%	(3,405.00)	8,125.00
DUE 03/28/16	250,000.0000	102.1050	255,262.50	07/12/13	(3,405.00)	2.43%
CALLABLE 03/28/14 AT 100.00000						
CUSIP: 3133735L2						
MOODY'S: Aaa S&P: AA+						*Accrued Interest: 2,098.96*
FHLMC 0%14	200,000.0000	99.9943	199,988.60	2%	70.10	N/A
DUE 01/15/14	200,000.0000	99.9592	199,918.50	08/05/13	70.10	0.09%
CUSIP: 313397RV5						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*

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Investment Detail - Fixed Income (continued)

Agency Securities (continued)	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
FHLMC 0%14	200,000.0000	99.9840	199,968.00	2%	64.06	N/A
DUE 02/03/14	200,000.0000	99.9519	199,903.94	08/05/13	64.06	0.09%
CUSIP: 313397SQ5						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLMC 0%14	200,000.0000	99.9798	199,959.60	2%	61.46	N/A
DUE 02/11/14	200,000.0000	99.9490	199,898.14	08/02/13	61.46	0.09%
CUSIP: 313397SY8						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLMC 0%14	500,000.0000	99.9731	499,865.50	4%	31.75	N/A
DUE 02/24/14	500,000.0000	99.9667	499,833.75	09/05/13	31.75	0.07%
CUSIP: 313397TM3						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLMC 0%14	400,000.0000	99.9668	399,867.20	4%	9.83	N/A
DUE 03/03/14	200,000.0000	99.9597	199,919.56	09/03/13	14.04	N/A
CUSIP: 313397TU5	100,000.0000	99.9615	99,961.50	09/04/13	5.30	N/A
MOODY'S: NR S&P: NR	100,000.0000	99.9763	99,976.31	11/18/13	(9.51)	N/A
Cost Basis			*399,857.37*			
FHLMC 0.5%17	400,000.0000	99.9632	399,852.80	4%	52.80	N/A
DUE 12/27/17	400,000.0000	99.9500	399,800.00	12/11/13	52.80	N/A
MULTI STEP CPN						
CALLABLE 06/27/14 AT 100.00000						
CUSIP: 3134G4QM3						
MOODY'S: Aaa S&P: AA+						

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Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

Investment Detail - Fixed Income (continued)

Agency Securities (continued)	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
FHLMC 0.8%15	400,000.0000	100.0184	400,073.60	4%	(526.40)	3,200.00
DUE 01/13/15	400,000.0000	100.1500	400,600.00	10/10/13	(526.40)	0.67%
CALLABLE 01/13/14 AT 100.00000						
CUSIP: 3134G3HK9						
MOODY'S: Aaa S&P: AA+						*Accrued Interest: 1,493.33*
FHLMC 0.25%17	300,000.0000	99.9711	299,913.30	3%	138.30	750.00
DUE 06/30/17	300,000.0000	99.9250	299,775.00	12/23/13	138.30	1.96%
MULTI STEP CPN						
CALLABLE 06/30/14 AT 100.00000						
CUSIP: 3134G4Q84						
MOODY'S: Aaa S&P: AA+						*Accrued Interest: 2.08*
FNMA 0%14	1,100,000.0000	99.9996	1,099,995.60	10%	344.88	N/A
DUE 01/02/14	200,000.0000	99.9396	199,879.33	07/03/13	119.87	0.12%
CUSIP: 313589RG0	100,000.0000	99.9791	99,979.17	08/30/13	20.43	0.06%
MOODY'S: NR S&P: NR	800,000.0000	99.9740	799,792.22	10/09/13	204.58	0.11%
Cost Basis			*1,099,650.72*			*Accrued Interest: 0.00*
FNMA 0.1346%15	500,000.0000	100.0232	500,116.00	4%	181.00	N/A
DUE 02/27/15	500,000.0000	99.9870	499,935.00	10/22/13	181.00	N/A
CUSIP: 3135G0VK6						
MOODY'S: Aaa S&P: AA+						
Total Agency Securities	8,260,000.0000		8,260,960.13	74%	(6,675.69)	19,915.00
		Total Cost Basis:	*8,267,635.82*			

Total Accrued Interest for Agency Securities: 7,187.70

Total Fixed Income	8,260,000.0000		8,260,960.13	74%	(6,675.69)	19,915.00
		Total Cost Basis:	*8,267,635.82*			

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Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

ASSET DETAIL

The Estimated Annualized Income ("EAI") for certain securities could include a return of principal or capital gains, in which case EAI depicted on this account statement would be overstated. EAI is only an estimate of income generated by the investment and the actual income may be higher or lower. In the event the investment matures, is sold or called, the full EAI may not be realized.

** The Unrealized Gain/Loss may not reflect your investments' total return. Specifically, the net cost may include dividend and capital gains distributions which have been reinvested. Additionally, the information that appears in these columns may be based on information provided by you or at your direction. RBC has not verified such data. Please see "About Your Statement" on page 2 for further information.*

Your Financial Advisor has elected to display Asset Detail with the following options: asset purchases (tax lots) consolidated.

CASH AND MONEY MARKET

DESCRIPTION	SYMBOL/CUSIP	QUANTITY	MARKET PRICE	CURRENT MARKET VALUE	PREVIOUS STATEMENT MARKET VALUE	YTD INCOME
US GOVT MONEY MARKET FUND RBC RESERVE CLASS	TURXX	291,975.420	$1.000	$291,975.42	$247,983.90	$14.48
TOTAL CASH AND MONEY MARKET				$291,975.42		$14.48

US EQUITIES

DESCRIPTION	SYMBOL/CUSIP	QUANTITY	MARKET PRICE	MARKET VALUE	NET COST *	UNREALIZED GAIN/LOSS *	ESTIMATED ANNUALIZED INCOME
BED BATH & BEYOND INC	BBBY	3,550.000	$80.300	$285,065.00	$119,944.09	$165,120.91	
CARDINAL HEALTH INC	CAH	2,600.000	$66.810	$173,706.00	$101,394.25	$72,311.75	$3,146.00
COMCAST CORP CL A	CMCSA	4,350.000	$51.965	$226,047.75	$90,060.40	$135,987.35	$3,393.00
ECOLAB INC	ECL	3,415.000	$104.270	$356,082.05	$164,426.81	$191,655.24	$3,756.50
EXPEDITORS INTERNATIONAL OF WASHINGTON INC	EXPD	6,375.000	$44.250	$282,093.75	$250,018.01	$32,075.74	$3,825.00
MICROSOFT CORP	MSFT	3,450.000	$37.410	$129,064.50	$79,768.45	$49,296.05	$3,864.00
NIKE INC-CL B	NKE	5,820.000	$78.640	$457,684.80	$74,918.18	$382,766.62	$5,587.20
PAYCHEX INC	PAYX	7,550.000	$45.530	$343,751.50	$221,536.65	$122,214.85	$10,570.00
PROGRESSIVE CORP-OHIO	PGR	11,575.000	$27.270	$315,650.25	$195,344.40	$120,305.85	$3,287.30
UNITED PARCEL SVC INC CL B	UPS	950.000	$105.080	$99,826.00	$66,977.14	$32,848.86	$2,356.00
WATERS CORP	WAT	975.000	$100.000	$97,500.00	$35,060.22	$62,439.78	
WELLS FARGO & CO	WFC	7,250.000	$45.400	$329,150.00	$185,590.40	$143,559.60	$8,700.00
TOTAL US EQUITIES				$3,095,621.60	$1,585,039.00	$1,510,582.60	$48,485.00

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