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Return of Private Foundation

OMB No 1545-0052

Form 990-PF

Department of the Treasury
Internal Revenue Service

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.

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning

MAR 1, 2015

, and ending

FEB 28, 2016

Name of foundation

THE KELLAR FAMILY FOUNDATION

A Employer identification number

52-2026425

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

Room/suite

P.O. BOX 3547

B Telephone number

703-237-2500

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

MANASSAS, VA 20108

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 changeD 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 foundationE 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)

\$ 41,145,331. (Part I, column (d) must be on cash basis.)

J Accounting method:

☒ Cash ☐ Accrual☐ Other (specify)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

Operating and Administrative Expenses

1 Contributions, gifts, grants, etc., received

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

5a Gross rents

b Net rental income or (loss)

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

b Gross sales price for all assets on line 6a 4,662,944.

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

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

12 Total. Add lines 1 through 11

13 Compensation of officers, directors, trustees, etc

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees

b Accounting fees STMT 4

c Other professional fees STMT 5

17 Interest

18 Taxes STMT 6

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses STMT 7

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

25 Contributions, gifts, grants paid

26 Total expenses and disbursements. Add lines 24 and 25

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

c Adjusted net income (if negative, enter -0-)

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STATEMENT 3

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	1,173,216.	2,139,835.	2,139,835.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 10	40,493,317.	37,530,811.	39,005,496.	
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)	41,666,533.	39,670,646.	41,145,331.	
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	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	41,666,533.	39,670,646.	
30 Total net assets or fund balances	41,666,533.	39,670,646.		
31 Total liabilities and net assets/fund balances	41,666,533.	39,670,646.		

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	41,666,533.
2 Enter amount from Part I, line 27a	2	<1,997,345.>
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 8	3	1,579.
4 Add lines 1, 2, and 3	4	39,670,767.
5 Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 9	5	121.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	39,670,646.

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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				
b SEE ATTACHED STATEMENT				
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				
b				
c				
d				
e 4,662,944.		4,123,374.	594,913.	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(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				
b				
c				
d				
e			594,913.	
2 Capital gain net income or (net capital loss)		2		594,913.
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))
2014	2,458,948.	47,308,717.	.051977
2013	2,470,289.	45,224,810.	.054622
2012	2,195,270.	42,886,252.	.051188
2011	1,999,981.	43,232,827.	.046261
2010	1,528,542.	39,636,539.	.038564
2 Total of line 1, column (d)			.242612
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			.048522
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5			44,583,683.
5 Multiply line 4 by line 3			2,163,289.
6 Enter 1% of net investment income (1% of Part I, line 27b)			8,470.
7 Add lines 5 and 6			2,171,759.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			2,844,318.

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	8,470.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		2	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	8,470.
3 Add lines 1 and 2		4	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	8,470.
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2015 estimated tax payments and 2014 overpayment credited to 2015	6a	65,253.	
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	65,253.	
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	56,783.	
11 Enter the amount of line 10 to be: Credited to 2016 estimated tax	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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? 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.		X
1c Did the foundation file Form 1120-POL for this year?		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		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • 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?	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	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>VA</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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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)		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)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	X	
14 The books are in care of ► <u>THE FOUNDATION</u> Telephone no. ► <u>703-237-2500</u> Located at ► <u>P.O. BOX 3547, MANASSAS, VA</u> ZIP+4 ► <u>20108</u>		
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 <u>N/A</u>		
16 At any time during calendar year 2015, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►		X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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)? Organizations relying on a current notice regarding disaster assistance check here ► ☐	1b	X
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 2015?	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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? ☐ 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.) <u>N/A</u> c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____	2b	
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 2015 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 2015.) <u>N/A</u>	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 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 2015?	4a	X
	4b	X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (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)?

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
M. KELLAR	PRESIDENT			
P.O. BOX 3547				
MANASSAS, VA 20108	1.00	0.	0.	0.
J. KELLAR BOX	VICE-PRESIDENT			
P.O. BOX 3547				
MANASSAS, VA 20108	1.00	0.	0.	0.
A. RIDGWAY	SECRETARY			
P.O. BOX 3547				
MANASSAS, VA 20108	1.00	9,250.	0.	0.
C. BOX	TREASURER			
P.O. BOX 3547				
MANASSAS, VA 20108	1.00	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
NORTHSIDE CAPITAL MANAGEMENT 116 3RD STREET #313, HOOD RIVER, OR 97031	INVESTMENT MANAGEMENT	259,210.

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

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 N/A	
2	
3 All other program-related investments. See instructions.	

Total. Add lines 1 through 3

0.

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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	45,262,622.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	45,262,622.
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	45,262,622.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	678,939.
5	Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	44,583,683.
6	Minimum investment return. Enter 5% of line 5	6	2,229,184.

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	2,229,184.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	8,470.
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	8,470.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,220,714.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,220,714.
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	2,220,714.

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	2,844,318.
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	2,844,318.
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	8,470.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,835,848.

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				2,220,714.
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			1,574,231.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 2,844,318.				
a Applied to 2014, but not more than line 2a			1,574,231.	
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 2015 distributable amount	0.			1,270,087.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2015 (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 2014. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				950,627.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				

N/A

- b** Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(1)(3) or ☐ 4942(1)(5)

- [illegible]

2015.05020 THE KELLAR FAMILY FOUNDATIO 37080 1

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
FIDELITY CHARITABLE P.O. BOX 770001 CINCINNATI, OH 45277	NONE	PUBLIC	DONOR ADVISED FUND	1,600,000.
LOGGERHEAD MARINELIFE CENTER 14200 US HIGHWAY 1 JUNO BEACH, FL 33408	NONE	PUBLIC	CHARITABLE PURPOSES	25,000.
FRESCO INSTITUTE FOR PARKINSON'S & MOVEMENT DISORDERS 240 EAST 38TH STREET, 20TH FL NEW YORK, NY 10016	NONE	PUBLIC	CHARITABLE PURPOSES	1,000,000.
NEW YORK UNIVERSITY 25 WEST 4TH STREET, 1ST FL NEW YORK, NY 10012	NONE	PUBLIC	CHARITABLE PURPOSES	100,000.
NORTH SHORE ANIMAL LEAGUE 16 LEWYT STREET PORT WASHINGTON, NY 11050	NONE	PUBLIC	CHARITABLE PURPOSES	60,000.
Total			SEE CONTINUATION SHEET(S)	3a 2,820,000.
b Approved for future payment				
NONE				
Total				3b 0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

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) Exclu- sion 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	79,493.		
4 Dividends and interest from securities			14	468,435.		
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			18	<18,274.>		
8 Gain or (loss) from sales of assets other than inventory			18	594,913.		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)		0.		1,124,567.		0.
13 Total. Add line 12, columns (b), (d), and (e)					13	1,124,567.

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

[illegible]

Part XVII

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

- | | |
|--|-------------------|
| <p>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?</p> <p>a Transfers from the reporting foundation to a noncharitable exempt organization of:</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p>b Other transactions:</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p>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.</p> | <p>Yes</p> |
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	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

- 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

11/13/17
Date

► PRESIDENT
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

RANDOLPH SHAPIRO

Preparer's signature

Ri

Date _____

01/09/17

Check ☐
self-employed

PTIN

P00339849

Firm's name ► **MURRAY, JONSON, WHITE & ASSOC., LTD., P**

Firm's EIN ▶ 54-1032507

Firm's address ► 6402 ARLINGTON BLVD., SUITE 1130
FALLS CHURCH, VA 22042-2333

Phone no. 703-237-2500

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	FIDELITY #115169 - ATTACHMENT A	P	VARIOUS	VARIOUS
b	FIDELITY #126667 - ATTACHMENT B	P	VARIOUS	VARIOUS
c	RMR GROUP INC - CASH IN LIEU	P	12/18/15	12/18/15
d	THROUGH DAVIDSON KEMPNER LP	P	VARIOUS	VARIOUS
e	THROUGH DAVIDSON KEMPNER LP	P	VARIOUS	VARIOUS
f	THROUGH DAVIDSON KEMPNER LP - SEC. 1256 (40% ST)	P	VARIOUS	VARIOUS
g	THROUGH DAVIDSON KEMPNER LP - SEC. 1256 (60% LT)	P	VARIOUS	VARIOUS
h	THROUGH ALYSHEBA FUND LTD	P	VARIOUS	VARIOUS
i	RMR GROUP INC - TAXABLE MERGER	P	12/15/15	12/15/15
j	CAPITAL GAINS DIVIDENDS			
k				
l				
m				
n				
o				

(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 1,260,753.		1,277,266.	<16,513.>
b 1,231,947.		1,346,108.	<114,161.>
c 7.			7.
d			36,831.
e			18,395.
f			47.
g			70.
h 1,802,690.		1,500,000.	302,690.
i 1,085.			1,085.
j 366,462.			366,462.
k			
l			
m			
n			
o			

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<16,513.>
b			<114,161.>
c			7.
d			36,831.
e			18,395.
f			47.
g			70.
h			302,690.
i			1,085.
j			366,462.
k			
l			
m			
n			
o			

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	594,913.
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

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
DAVIDSON KEMPNER INST'L PTRS	45,500.	45,500.	
FIDELITY #115169	287.	287.	
FIDELITY #126667	47.	47.	
MOUNT KELLETT CAP PTRS	33,659.	33,659.	
TOTAL TO PART I, LINE 3	79,493.	79,493.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
DAVIDSON KEMPNER INST'L PTRS	6,903.	0.	6,903.	6,903.	
FIDELITY #115169	670,028.	366,462.	303,566.	303,566.	
FIDELITY #126667	157,966.	0.	157,966.	157,966.	
TO PART I, LINE 4	834,897.	366,462.	468,435.	468,435.	

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
ENDURO ROYALTY TST - ROYALTY INCOME	1,170.	1,170.	
DAVIDSON KEMPNER LP - ORDINARY INCOME	<19,444.>	<19,444.>	
TOTAL TO FORM 990-PF, PART I, LINE 11	<18,274.>	<18,274.>	

FORM 990-PF	ACCOUNTING FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MURRAY, JONSON, WHITE & ASSOC. - TAX PREP FEES	16,725.	12,544.		4,181.
TO FORM 990-PF, PG 1, LN 16B	16,725.	12,544.		4,181.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NORTHSIDE INVESTMENTS - INV MGMT FEES	259,210.	246,250.		12,961.
TO FORM 990-PF, PG 1, LN 16C	259,210.	246,250.		12,961.

FORM 990-PF	TAXES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID ON INVESTMENT INCOME	4,278.	4,278.		0.
TO FORM 990-PF, PG 1, LN 18	4,278.	4,278.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
OFFICE EXPENSE	318.	80.		238.	
SEVERANCE TAX EXPENSE - ENDURO ROYALTY TRUST	189.	189.		0.	
ADMINISTRATIVE EXPENSE - ENDURO ROYALTY TRUST	56.	56.		0.	
DEPLETION EXPENSE - ENDURO ROYALTY TRUST	3,929.	3,929.		0.	
PORTFOLIO DEDUCTION - MOUNT KELLETT CAP PTRS LP	698.	698.		0.	
PORTFOLIO DEDUCTION - DAVIDSON KEMPNER LLP	22.	22.		0.	
PORTFOLIO DEDUCTION - DAVIDSON KEMPNER LLP	7,237.	7,237.		0.	
TO FORM 990-PF, PG 1, LN 23	12,449.	12,211.		238.	

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES			STATEMENT	8
DESCRIPTION	AMOUNT				
TAX-EXEMPT INTEREST INCOME - DAVIDSON KEMPNER	1,579.				
TOTAL TO FORM 990-PF, PART III, LINE 3	1,579.				

FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES			STATEMENT	9
DESCRIPTION	AMOUNT				
NONDEDUCTIBLE EXPENSES - DAVIDSON KEMPNER	121.				
TOTAL TO FORM 990-PF, PART III, LINE 5	121.				

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 10

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SECURITIES - FIDELITY #115169	FMV	13,812,071.	15,091,127.
SECURITIES - FIDELITY #126667	FMV	3,730,104.	3,754,447.
SECURITIES - OUTSIDE BROKERAGE ACCTS	FMV	19,988,636.	20,159,922.
TOTAL TO FORM 990-PF, PART II, LINE 13		37,530,811.	39,005,496.

Attachment A to Part IV, 2015 Form 990-PF
The Kellar Family Foundation
EIN # 52-2026425

<u>Purchase Date</u>	<u>Sale Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Cost Basis</u>	<u>Proceeds</u>	<u>Gain (Loss)</u>
5/29/2013	1/25/2016	21,111 89	Boston Partners Long Short Research Instl	277,205.62	299,970.00	22,764 38
Various	1/25/2016	59,054 29	Sands Capital Global Growth Inst'l Cl	1,000,060 00	960,783 27	(39,276.73)
			TOTAL	<u>1,277,266</u>	<u>1,260,753</u>	<u>(16,512)</u>

Attachment B to Part IV, 2015 Form 990-PF
The Kellar Family Foundation
EIN # 52-2026425

Purchase Date	Sale Date	Quantity	Security	Cost Basis	Proceeds	Gain (Loss)
Various	8/6/2015	1,055	AbbVie Inc	48,160	73,731	25,572
Various	1/21/2016	855	AT&T Inc	28,976	29,262	287
8/27/2015	12/22/2015	535	Caterpillar Inc	39,499	34,923	(4,577)
Various	4/14/2015	985	CineMark Hldgs Inc	27,061	42,153	15,092
Various	8/24/2015	2,215	Corrections Corp	78,240	69,624	(8,617)
Various	1/21/2016	420	Dow Chemical Co	15,630	18,228	2,597
Various	11/2/2015	2,910	Enduro Rty Tr	36,121	8,309	(27,812)
Various	8/7/2015	4,615	FNB Corp	52,733	61,527	8,794
8/27/2015	1/21/2016	700	General Electric Co	16,717	19,937	3,220
7/2/2014	1/15/2016	595	Lamar Advertising Co	31,549	34,621	3,071
Various	3/6/2015	2,625	National Cinemedia Inc	32,912	40,014	7,102
Various	2/26/2016	3,850	Outfront Media Inc	121,663	75,009	(46,654)
Various	10/29/2015	7,150	Pearson Spons ADR	129,241	99,266	(29,975)
Various	8/18/2015	3,690	Potash Corp	119,799	95,806	(23,994)
12/15/2015	1/25/2016	76	RMR Group Inc	1,085	1,353	268
2/26/2014	10/19/2015	985	Six Flags Entmt Corp	39,740	47,279	7,539
Various	11/2/2015	1,065	Six Flags Entmt Corp	42,968	54,693	11,725
Various	3/20/2015	1,680	Sonoco Prods Co	57,442	75,287	17,845
Various	8/7/2015	1,455	Sonoco Prods Co	49,749	60,068	10,319
Various	4/24/2015	780	Thomson Reuters Corp	26,023	31,809	5,785
Various	11/3/2015	1,645	Thomson Reuters Corp	54,882	67,310	12,427
Various	8/11/2015	1,270	Vermilion Energy Inc	72,612	42,121	(30,492)
Various	12/1/2015	1,570	Vermilion Energy Inc	89,765	45,621	(44,144)
Various	10/26/2015	1,720	Waddell & Reed Finl CI A	77,336	57,922	(19,414)
Various	11/23/2015	1,250	Waddell & Reed Finl CI A	56,204	46,077	(10,126)
TOTAL				1,346,108	1,231,947	(114,161)