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

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning 9/15/2015 **, and ending** 8/31/2016

Name of foundation
Linda Redmann Scholarship Trust

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
2300 Columbia Rd Alerus Financial

City or town | State | ZIP code
Grand Forks | ND | 58201

Foreign country name | Foreign province/state/county | Foreign postal code

A Employer identification number
38-7147993

B Telephone number (see instructions)
701-795-3212

C If exemption application is pending, check here ▶ ☐

D 1 Foreign organizations, check here ▶ ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

G Check all that apply ☒ Initial return ☐ Initial return of a former public charity
☐ Final return ☐ Amended return
☐ Address change ☐ Name change

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 553,058

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

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue 1	Contributions, gifts, grants, etc , received (attach schedule)	500,000			
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	14,265	14,265		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	8,237			
b	Gross sales price for all assets on line 6a 274,948				
7	Capital gain net income (from Part IV, line 2)		8,237		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)				
12	**Total.** Add lines 1 through 11	522,502	22,502	0	
Operating and Administrative Expenses 13	Compensation of officers, directors, trustees, etc	4,538	3,025		1,513
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)	835			
c	Other professional fees (attach schedule)	850			
17	Interest				
18	Taxes (attach schedule) (see instructions)				
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule)				
24	**Total operating and administrative expenses.** Add lines 13 through 23	6,223	3,025	0	1,513
25	Contributions, gifts, grants paid				
26	**Total expenses and disbursements.** Add lines 24 and 25	6,223	3,025	0	1,513
27	Subtract line 26 from line 12				
a	**Excess of revenue over expenses and disbursements**	516,279			
b	**Net investment income** (if negative, enter -0-)		19,477		
c	**Adjusted net income** (if negative, enter -0-)			0	

RECEIVED JAN 11 2017 OGDEN, UT

SCANNED JAN 27 2017

24

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing		21,383	21,383
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)		245,292	276,426
	c	Investments—corporate bonds (attach schedule)		249,604	255,249
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	0	516,279	553,058
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	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		500,000	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds		16,279	
	30	**Total net assets or fund balances** (see instructions)	0	516,279	
	31	**Total liabilities and net assets/fund balances** (see instructions)	0	516,279	

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	0
2	Enter amount from Part I, line 27a	2	516,279
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	516,279
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	516,279

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	STCG per schedule	P	Various	Various
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	274,948		266,711	8,237
b				
c				
d				
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				8,237
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 }	2	8,237
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	0

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			0 000000
2013			0 000000
2012			0 000000
2011			0 000000
2010			0 000000

2	**Total** of line 1, column (d)	2	0 000000
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 000000
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	0
7	Add lines 5 and 6	7	0
8	Enter qualifying distributions from Part XII, line 4	8	0

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	390
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	390
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	390
6	Credits/Payments		
a	2015 estimated tax payments and 2014 overpayment credited to 2015 — 6a		
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	0
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	390
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	0
11	Enter the amount of line 10 to be **Credited to 2016 estimated tax** ▶ | **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		
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		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	N/A	
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) ▶ ND			
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 2015 or the taxable year beginning in 2015 (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

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 ▶ None

14 The books are in care of ▶ Alerus Financial Telephone no ▶ 701-795-3212

Located at ▶ 2300 South Columbia Rd Grand Forks ND ZIP+4 ▶ 58201

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

			Yes	No
16	At any time during calendar year 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?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ▶			

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

				Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.				
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) *Pay compensation to, or pay or reimburse the expenses of, a disqualified person?*	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b	N/A	
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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 ▶ 20 ____ , 20 ____ , 20 ____ , 20 ____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)		2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20 ____ , 20 ____ , 20 ____ , 20 ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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)*		3b	N/A	
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 2015?		4b		X

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

				Yes	No
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)?		**5b**	N/A	
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? *If "Yes," attach the statement required by Regulations section 53 4945–5(d)*	☐ Yes ☐ No			
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? *If "Yes" to 6b, file Form 8870*		**6b**		X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No			
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?		**7b**	N/A	

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation (If not paid, enter -0-)	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
ALERUS FINANCIAL 2300 S Columbia Rd Grand Forks, ND 58201	Trustee 1 00	4,538		

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

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

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

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(contınued)*

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paıd more than $50,000	(b) Type of servıce	(c) Compensatıon
NONE		
Total number of others receıvıng over $50,000 for professıonal services ▶		

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

Lıst the foundatıon's four largest dırect charıtable actıvıtıes durıng the tax year Include relevant statıstıcal ınformatıon such as the number of organızatıons and other beneficıarıes served, conferences convened, research papers produced, etc	Expenses
1 NONE	
2	
3	
4	

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

Descrıbe the two largest program-related ınvestments made by the foundatıon durıng the tax year on lınes 1 and 2	Amount
1 NONE	
2	
All other program-related ınvestments See ınstructıons	
3	
Total. Add lınes 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	265,837
b	Average of monthly cash balances	1b	260,692
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	526,529
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	526,529
4	Cash deemed held for charitable activities Enter 1 ½ % of line 3 (for greater amount, see instructions)	4	7,898
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	518,631
6	***Minimum investment return.*** Enter 5% of line 5 MIR Prorated - Short Year	6	25,008

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	25,008
2a	Tax on investment income for 2015 from Part VI, line 5	2a	390		
b	Income tax for 2015 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	390
3	Distributable amount before adjustments Subtract line 2c from line 1			3	24,618
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	24,618
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	24,618

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	1,513
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,513
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,513

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				24,618
2	Undistributed income, if any, as of the end of 2015				
a	Enter amount for 2014 only			0	
b	Total for prior years 20___, 20___, 20___				
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 ▶ $ 1,513				
a	Applied to 2014, but not more than line 2a				
b	Applied to undistributed income of prior years (Election required—see instructions)				
c	Treated as distributions out of corpus (Election required—see instructions)				
d	Applied to 2015 distributable amount				1,513
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2015 *(If an amount appears in column (d), the same amount must be shown in column (a))*				
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	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				
d	Subtract line 6c from line 6b Taxable amount—see instructions				
e	Undistributed income for 2014 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f	Undistributed income for 2015 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2016				23,105
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)				
8	Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions)				
9	**Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a				
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				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, 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) 2015	(b) 2014	(c) 2013	(d) 2012	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0
b 85% of line 2a					0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					0
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

Alerus Financial - Claire Herland 401 Demers Ave Grand Forks, ND 58201 (701) 795-3325

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

Applications can be requested from Claire Herland at Alerus Financial

c Any submission deadlines

Various

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

Scholarships for tuition and books to obtain a post-secondary education

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*				
Total			▶ 3a	0
b *Approved for future payment*				
Total			▶ 3b	0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14		
4 Dividends and interest from securities			14	14,265	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	8,237	
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		22,502	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 22,502

(See worksheet in line 13 instructions to verify calculations)

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

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

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		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

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

b If "Yes," complete the following schedule

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

Sign Here

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

Claire Herland 1.3.2017 Trust Officer

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Brenda Jobe	Brenda Jobe	1/3/2017		P01258817
Firm's name ▶ Alerus Financial			Firm's EIN ▶ 45-0140105	
Firm's address ▶ 2300 S Columbia Rd, Grand Forks, ND 58201			Phone no 701-795-3212	

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

2015

Name of the organization	Employer identification number
Linda Redmann Scholarship Trust	38-7147993

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, contributions totaling $5,000 or more (in money or property) from any one contributor Complete Parts I and II See instructions for determining a contributor's total contributions

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 331/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions 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 an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc , purposes, but no such contributions totaled 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 totaling $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)

Name of organization	Employer identification number
Linda Redmann Scholarship Trust	38-7147993

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	Linda Redmann Irrevocable Trust 2300 S Columbia Rd Grand Forks ND 58201 Foreign State or Province Foreign Country	$ 500,000	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
	Foreign State or Province Foreign Country	$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
	Foreign State or Province Foreign Country	$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
	Foreign State or Province Foreign Country	$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
	Foreign State or Province Foreign Country	$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
	Foreign State or Province Foreign Country	$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)

Name of organization	Employer identification number
Linda Redmann Scholarship Trust	38-7147993

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
Linda Redmann Scholarship Trust	38-7147993

Part III ***Exclusively*** **religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor.** 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 See instructions) ▶ $ 0

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
For Prov Country	

(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
For Prov Country	

(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
For Prov Country	

(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
For Prov Country	

Part I, Line 6 (990-PF) - Gain/Loss from Sale of Assets Other Than Inventory

	Amount
Long Term CG Distributions	0
Short Term CG Distributions	0

Totals	Gross Sales	Cost or Other Basis, Expenses, Depreciation and Adjustments	Net Gain or Loss
Capital Gains/Losses	274,948	266,711	8,237
Other sales	0	0	0

	Description	CUSIP #	Check "X" to include in Part IV	Purchaser	Check "X" if Purchaser is a Business	Acquisition Method	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Valuation Method	Expense of Sale and Cost of Improvements	Depreciation	Adjustments	Net Gain or Loss
1	STCG per schedule		X			P	Various	Various	274,948	266,711					8,237

Part I, Line 16b (990-PF) - Accounting Fees

	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
		835	0	0	0
1	Alerus Financial	835			0

Part I, Line 16c (990-PF) - Other Professional Fees

	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
		850	0	0	0
1	Internal Revenue Service Nonexempt fee	850			0

Part II, Line 10b (990-PF) - Investments - Corporate Stock

		Num Shares/ Face Value	Book Value Beg of Year	Book Value End of Year	FMV Beg of Year	FMV End of Year
			0	245,292	0	276,426
	Description					
1	US Equities schedule attached		0	245,292	0	276,426

Part II, Line 10c (990-PF) - Investments - Corporate Bonds

	Description	Interest Rate	Maturity Date	Book Value Beg of Year	Book Value End of Year	FMV Beg of Year	FMV End of Year
				0	249,604	0	255,249
1	Taxable bonds schedule attached				249,604		255,249

Part VIII, Line 1 (990-PF) - Compensation of Officers, Directors, Trustees and Foundation Managers

	Name	Check "X" if Business	Street	City	State	Zip Code	Foreign Country	Title	Avg Hrs Per Week	Compensation	Benefits	Expense Account
										4,538	0	0
1	ALERUS FINANCIAL		2300 S Columbia Rd	Grand Forks	ND	58201		Trustee	1.00	4,538		

Alerus FINANCIAL

ALERUS FINANCIAL NA
Realized Gain/Loss Report

Run on 1/3/2017 12:06:44 PM
Start Date: 09/15/2015
End Date: 08/31/2016

Account: 1020000264
LINDA REDMANN SCHOLARSHIP TRUST

Administrator: CLAIRE HERLAND 701-795-3325

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss	Covered	How Acquired	Date Of Gift/ Inheritance	FMV Of Gift/ Inheritance	Wash Sale Units	Disallowed Loss	Original Acq. Date
** SHORT TERM CAPITAL GAIN (LOSS)												
21229 671 SHARES OF FEDERATED ULTRASHORT BOND FUND # 108	09/22/2015	09/17/2015	193,190.00	193,190 01	0 01-	Covered	P					
111 SHARES OF DUPONT E I DE NEMOURS & COMPANY	11/23/2015	09/16/2015	7,378.23	5,392 37	1,985.86	Covered	P					
23 SHARES OF MCDONALDS CORP COM	12/01/2015	09/16/2015	2,629.37	2,270 79	358 58	Covered	P					
63 SHARES OF CONOCOPHILLIPS	12/15/2015	09/16/2015	3,192.06	3,120 38	71 68	Covered	P					
33 SHARES OF CHEVRONTEXACO CORP COM	12/15/2015	09/16/2015	3,044.20	2,606.67	437.53	Covered	P					
37 SHARES OF TOTAL ADR	12/17/2015	09/16/2015	1,650.89	1,745.39	94 50-		P					
7 SHARES OF HOME DEPOT INC	12/21/2015	09/16/2015	914 82	825 93	88.89	Covered	P					
9 SHARES OF CME GROUP	12/21/2015	09/16/2015	825.57	860.08	34 51-	Covered	P					
5 SHARES OF KRAFT HEINZ CO	01/19/2016	09/16/2015	349 43	382 45	33 02-	Covered	P					
27 SHARES OF GENERAL ELECTRIC COMPANY	01/19/2016	09/16/2015	768.44	701 73	66 71	Covered	P					
11 SHARES OF PHILIP MORRIS	01/19/2016	09/16/2015	955.22	904.75	50.47	Covered	P					
17 SHARES OF INTERNATIONAL BUSINESS MACHINES CORP	01/20/2016	09/16/2015	2,059.76	2,524.50	464 74-	Covered	P					
20 SHARES OF NOVARTIS A G	01/27/2016	09/16/2015	1,559 63	1,957.60	397 97-	Covered	P					
.331 SHARES OF TOTAL ADR	01/25/2016	09/16/2015	14 61	15 38	0.77-		P					
141 SHARES OF ISHARES BARCLAYS 7-10 YR TREAS BD FD ETF	02/10/2016	09/18/2015	15,606 06	15,112 10	493 96	Covered	P					
48 SHARES OF CONSOLIDATED EDISON INC	02/29/2016	09/16/2015	3,358 55	3,059.04	299.51	Covered	P					
17 SHARES OF CONSOLIDATED EDISON INC	03/17/2016	09/16/2015	1,279.49	1,083 41	196 08	Covered	P					
20 SHARES OF VERIZON COMMUNICATIONS	03/17/2016	09/16/2015	1,071 34	925 20	146.14	Covered	P					
28 SHARES OF AT&T INC	03/17/2016	09/16/2015	1,092.27	924 00	168 27	Covered	P					
037 SHARES OF TOTAL ADR	04/22/2016	09/16/2015	1.84	1 70	0 14		P					
41 SHARES OF	05/27/2016	09/16/2015	2,971.44	2,612.93	358 51	Covered	P					

CONSOLIDATED EDISON INC							
26 SHARES OF GENERAL MILLS INC	06/22/2016	09/16/2015	1,724.10	1,489 54	234.56	Covered	P
094 SHARES OF TOTAL ADR	07/05/2016	05/27/2016	4 31	4.56	0 25-	Covered	P
231.267 SHARES OF VANGUARD REIT INDEX ADMIRAL FUND #5123 INDEX FUND ADMIRAL SHS	08/17/2016	09/18/2015	29,306.15	25,000 00	4,306 15	Covered	P
** TOTAL SHORT TERM CAPITAL GAIN (LOSS)			274,947 78	266,710.51	8,237.27		

SUMMARY

Description	Amount
** SUMMARY OF CAPITAL GAINS AND LOSSES **	
TOTAL SHORT TERM CAPITAL GAIN (LOSS)	8,237.27
TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS	0.00
NET SHORT TERM CAPITAL GAIN (LOSS)	8,237.27
TOTAL LONG TERM CAPITAL GAIN (LOSS)	0 00
TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	0.00
TOTAL 28% RATE CAPITAL GAINS DIVIDENDS	0 00
TOTAL SEC 1250 CAPITAL GAINS DIVIDENDS	0.00
TOTAL SEC 1202 CAPITAL GAINS DIVIDENDS	0.00
NET LONG TERM CAPITAL GAIN (LOSS)	0.00
NET CAPITAL GAIN (LOSS)	8,237 27
TOTAL GAIN/LOSS FROM SALES WITH UNKNOWN COST/ACQUISITION DATE	0 00

[redacted] [redacted] [redacted]

ALERUS FINANCIAL NA
Chronological Statement

Run on 1/3/2017 12:08:08 PM
Start Date 08/31/2016
End Date 08/31/2016

Account: 1020000264
LINDA REDMANN SCHOLARSHIP TRUST

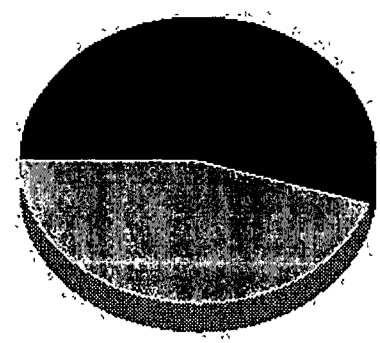
Administrator: CLAIRE HERLAND @ 701-795-3325

SUMMARY

Category	Book Value	Market Value	Est Income	% of Portfolio
CASH AND EQUIVALENTS	21,383.20	21,383.20		3.87
TAXABLE BONDS	249,604.01	255,248.81	12,108.83	46 15
DOMESTIC EQUITY	245,292 05	276,426.14	10,121.93	49.98
TOTAL PORTFOLIO	516,279 26	553,058.15	22,230 76	100 00

Market Value

$21,383.20	**3.87%**	**CASH AND EQUIVALENTS**
$255,248.81	**46.15%**	**TAXABLE BONDS**
$276,426.14	**49.98%**	**DOMESTIC EQUITY**



ASSET SCHEDULE

Ticker	Description	Units	Price	Book Value	Market Value	Est Income	% of Port
	CASH AND EQUIVALENTS						
	CASH			0.00	0 00		0.00
POIXX	FEDERATED INSTITUTIONAL PRIME OBLIGATIONS FUND CL IS (10)	9,880 760	1.000	9,880.76	9,880.76		1.79
NPAXX	NORTHERN INSTITUTIONAL FUNDS PRIME OBLIGATIONS	11,502 440	1 000	11,502 44	11,502.44		2 08
	TOTAL FOR CASH AND EQUIVALENTS			21,383 20	21,383 20		3 87
	TAXABLE BONDS						
	AT&T INC 4.45% 05/15/2021	25,000.000	110 150	26,601 69	27,537 50	1,112.50	4 98
AGDYX	ALLIANCEBERNSTEIN HIGH INCOME ADVISOR	3,218.923	8.650	25,606 00	27,843 68	1,773.63	5.03
	BANK OF AMERICA CORP 6% 08/15/2017	25,000.000	103.518	26,022.63	25,879 50	1,500 00	4.68
	CITIGROUP INC 6.125% 05/15/2018	25,000.000	107.313	27,009.14	26,828.25	1,531 25	4.85
FULIX	FEDERATED ULTRASHORT BOND FUND # 108	748 351	9.110	6,809 99	6,817.48	80.07	1 23
GS AEH	GOLDMAN SACHS GROUP INC 5 75% 01/24/2022	25,000.000	116.056	28,236.27	29,014 00	1,437.50	5 25
	HCP INC 4.25% 11/15/2023	25,000.000	105.434	25,306.30	26,358 50	1,062.50	4.77
	OMNICOM GROUP INC 6.25% 07/15/2019	25,000 000	112 735	27,850.36	28,183.75	1,562 50	5.10
VCIT	VANGUARD INTERMEDIATE-TERM CORP BOND ETF	326 000	89 650	29,216.12	29,225.90	923 88	5 28
	VERIZON COMMUNICATIONS 4.5% 09/15/2020	25,000.000	110 241	26,945 51	27,560.25	1,125.00	4 98

	TOTAL FOR TAXABLE BONDS			249,604 01	255,248 81	12,108.83	46.15
	DOMESTIC EQUITY						
AFSD	AFLAC INC PREFERRED STOCK CALLABLE 9/26/2017 @ 25 00 09/15/2052	400 000	26.580	10,051 96	10,632 00	550 00	1.92
T	AT&T INC	203.000	40 880	6,699.00	8,298.64	389.76	1 50
ABBV	ABBVIE INC	108.000	64 100	6,039.32	6,922 80	246.24	1.25
AAPL	APPLE COMPUTER INC	33.000	106 100	3,843.51	3,501.30	75 24	0 63
BLK	BLACKROCK INC	7.000	372 810	2,196.04	2,609 67	64.12	0 47
CME	CME GROUP	48 000	108.350	4,587 12	5,200 80	115.20	0.94
CSCO	CISCO SYSTEMS	287.000	31 440	7,530.48	9,023 28	298.48	1 63
DUK	DUKE ENERGY CORPORATION	80 000	79 660	5,609.92	6,372.80	273.60	1.15
EMR	EMERSON ELECTRIC COMPANY	112.000	52.680	5,265 22	5,900.16	212.80	1.07
XOM	EXXON MOBIL CORP COM	40.000	87 140	3,167.08	3,485 60	120.00	0 63
GE	GENERAL ELECTRIC COMPANY	198 000	31.240	5,146 00	6,185.52	182.16	1.12
GIS	GENERAL MILLS INC	60 000	70.820	3,437 39	4,249.20	115 20	0.77
HD	HOME DEPOT INC	41.000	134 120	4,837.58	5,498 92	113.16	0.99
INTC	INTEL CORPORATION	265 000	35.890	7,957.83	9,510 85	275.60	1.72
JPM	JP MORGAN CHASE & CO	125 000	67.500	7,903 24	8,437.50	240 00	1.53
JNJ	JOHNSON AND JOHNSON	88.000	119 340	8,432.83	10,501 92	281.60	1 90
KHC	KRAFT HEINZ CO	30 000	89 490	2,294.70	2,684 70	72.00	0 49
MCD	MCDONALDS CORP COM	54 000	115 660	5,331.42	6,245.64	192.24	1.13
MRK	MERCK & CO INC NEW	146.000	62.790	7,887.71	9,167 34	268.64	1 66
MSFT	MICROSOFT CORPORATION	151.000	57 460	6,702.89	8,676 46	217.44	1 57
JWN	NORDSTROM INC	64.000	50 460	3,511.44	3,229 44	94.72	0 58
PEP	PEPSICO INC	41 000	106.750	3,825.71	4,376.75	123 41	0.79
PFE	PFIZER INC	229 000	34.800	7,630 03	7,969.20	274 80	1.44
PM	PHILIP MORRIS	83.000	99 930	6,826.75	8,294 19	338.64	1 50
PG	PROCTER & GAMBLE CO	95.000	87.310	6,808.12	8,294.45	254.41	1 50
PRU	PRUDENTIAL FINANCIAL INC	86.000	79.380	7,078 71	6,826.68	240 80	1.23
PSA PRA	PUBLIC STORAGE PREFERRED SECURITY CALLABLE 12/02/19 @ $25	400.000	28 200	10,083.44	11,280 00	587.60	2 04
QCOM	QUALCOMM CORPORATION	76 000	63.070	4,203 56	4,793.32	161.12	0.87
RY	ROYAL BANK CANADA	138 000	62.120	7,790 09	8,572.56	354 66	1.55
SCE PRG	SCE TRUST II PREFERRED STOCK CALLABLE 03/15/2015 @ $25	400 000	25 900	9,502.96	10,360 00	510 00	1.87
SO	SOUTHERN COMPANY	133.000	51.330	5,940 96	6,826 89	297.92	1 23
STT.PRE	STATE STREET CORP PREFERRED SECURITY CALLABLE 12/15/19 @ $25	400.000	27 620	10,087.96	11,048 00	600.00	2 00
TGT	TARGET CORP	25.000	70 190	1,721.09	1,754 75	60.00	0 32
TOT	TOTAL ADR	99.000	47.750	4,524.19	4,727.25	228.29	0.86
UPS	UNITED PARCEL SERVICE	65 000	109.220	6,614.14	7,099 30	202.80	1 28
VZ	VERIZON COMMUNICATIONS	144.000	52 330	6,661.44	7,535.52	325.44	1 36
WFC	WELLS FARGO & COMPANY	133 000	50.800	6,871 47	6,756 40	202.16	1 22
	WELLS FARGO & CO DEP PFD PREFERRED SECURITY CALLABLE 12/15/2020 @ 25	400.000	27 600	10,027.96	11,040.00	600.00	2 00
ACN	ACCENTURE PLC	39.000	115 000	3,866 46	4,485.00	85 80	0.81
ETN	EATON CORP PLC	121.000	66 540	6,794 33	8,051.34	275 88	1.46
	TOTAL FOR DOMESTIC EQUITY			245,292 05	276,426 14	10,121 93	49.98
	TOTAL PORTFOLIO			516,279 26	553,058.15	22,230 76	100.00

TRANSACTION SCHEDULE

Settle Date	Transaction	Cash	Book Value
08/31/2016	BEGINNING BALANCE		516,228.56
08/31/2016	DIVIDEND ON 65 SHS UNITED PARCEL SERVICE AT 0.78 PER SHARE PAYABLE 08/31/16 EX DATE 08/12/16	50 70	

08/31/2016	PURCHASED 50.7 UNITS FEDERATED INSTITUTIONAL PRIME OBLIGATIONS FUND CL IS (10) ON 08/31/16 AT 1.00	50 70-	50.70
08/31/2016	ENDING BALANCE		516,279.26