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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 instructions is at www.irs.gov/form990pf.

2016

Open to Public Inspection

For calendar year 2016, or tax year beginning 01-01-2016 , and ending 12-31-2016

	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash—non-interest-bearing				
	2 Savings and temporary cash investments		4,284,338	3,881,834	3,881,834
	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)		1,905,274	1,905,274	1,799,399
	b Investments—corporate stock (attach schedule)		2,450,936	2,504,312	2,976,005
	c Investments—corporate bonds (attach schedule)		672,744	626,137	646,630
	11 Investments—land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach schedule) ►				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule)			56,695	54,960
	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)		9,313,292	8,974,252	9,358,828
	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
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds				
	28 Paid-in or capital surplus, or land, bldg , and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds		9,313,292	8,974,252	
	30 Total net assets or fund balances (see instructions)		9,313,292	8,974,252	
	31 Total liabilities and net assets/fund balances (see instructions)		9,313,292	8,974,252	

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	9,313,292
2	Enter amount from Part I, line 27a	2	-339,040
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	8,974,252
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	8,974,252

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a See Additional Data Table					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a See Additional Data Table					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(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 See Additional Data Table					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)		If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	-1,116	
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			3	-20,391	

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 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))
2015	485,729	10,333,927	0 047003
2014	368,636	9,823,325	0 037527
2013	276,590	7,415,711	0 037298
2012	256,921	5,746,852	0 044706
2011	249,750	5,589,637	0 044681
2 Total of line 1, column (d)			2 0 211215
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 042243
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			4 9,436,953
5 Multiply line 4 by line 3			5 398,645
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,145
7 Add lines 5 and 6			7 399,790
8 Enter qualifying distributions from Part XIII, line 4			8 518,953

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1	1	1,145
	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 ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 2b	1	1,145
c	All other domestic foundations enter 2% of line 2b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2.	3	1,145
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	1,145
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	4,145
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	4,145
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> 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	3,000
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ►	3,000	Refunded ►
			11

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b	Yes	No
	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>			
c	Did the foundation file Form 1120-POL for this year?	1c	Yes	No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year			
(1)	On the foundation ► \$ _____	(2)	On foundation managers ► \$ _____	
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2	Yes	No
	<i>If "Yes," attach a detailed description of the activities</i>			
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	Yes	No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	Yes	No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	Yes	No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5	Yes	No
	<i>If "Yes," attach the statement required by General Instruction T</i>			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either <ul style="list-style-type: none"> By language in the governing instrument, or By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? 	6	Yes	No
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes	No
8a	Enter the states to which the foundation reports or with which it is registered (see instructions)			
	► MI			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	8b	Yes	No
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 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	Yes	No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	Yes	No

Part VII-A Statements Regarding Activities (continued)

- 11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions). **11** **No**
- 12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions). **12** **No**
- 13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? **13**
- Website address ►NOT APPLICABLE
- 14 The books are in care of ►JEFF MCNALLY Telephone no ►(989) 777-2360

Located at ►5825 DIXIE HIGHWAY SAGINAW MI

ZIP+4 ►48601

- 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**
- 16 At any time during calendar year 2016, 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** **Yes** **No**
- See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes", enter the name of the foreign country ►

Part VII-B Statements Regarding Activities for Which Form 4720 May Be RequiredFile **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**
- 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 2016? **1c**
- 2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))
- a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? 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** **Yes**
- 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 2016 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 2016). **3b**
- 4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? **4a** **No**
- b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016? **4b** **No**

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

- | | | | | | | |
|----|--|--------------------------|-----|-------------------------------------|----|----|
| 5a | During the year did the foundation pay or incur any amount to | | | | | |
| | (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No | |
| | (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No | |
| | (3) Provide a grant to an individual for travel, study, or other similar purposes? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No | |
| | (4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions). | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No | |
| | (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No | |
| b | If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here. ► | <input type="checkbox"/> | | | | 5b |
| 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) | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | |
| 6a | Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No | |
| b | Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870 | <input type="checkbox"/> | | | | 6b |
| 7a | At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No | |
| b | If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? | <input type="checkbox"/> | | | | 7b |

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

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

List all officers, directors, trustees, foundation managers and their compensation (See instructions.)				
(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JEFF McNALLY 11786 E TUSCOLA FRANKENMUTH, MI 48734	PRES /TREAS 1 00	3,000	0	0
DWIGHT McNALLY 3215 E GENESSEE 3215 E GENESSEE AV SAGINAW, MI 48601	TRUSTEE 1 00	3,000	0	0
BRIAN McNALLY 12867 BASELL DRIVE 12867 BASELL DRIVE HEMLOCK, MI 48626	TRUSTEE 1 00	3,000	0	0

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	Contributions to employee benefit plans and deferred compensation	(e) other allowances
NONE				

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. ►		

Part IX-A Summary of Direct Charitable Activities

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

Expenses

1	
2	
3	
4	

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

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

Amount

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

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	5,197,676
b	Average of monthly cash balances.	1b	4,382,987
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	9,580,663
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	9,580,663
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	143,710
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	9,436,953
6	Minimum investment return. Enter 5% of line 5.	6	471,848

Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign

Part XI organizations check here ► and do not complete this part)

1	Minimum investment return from Part X, line 6.	1	471,848
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	1,145
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	1,145
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	470,703
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	470,703
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	470,703

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	518,953
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	518,953
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	1,145
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	517,808
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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				470,703
2 Undistributed income, if any, as of the end of 2016			506,327	
a Enter amount for 2015 only.				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2016 from Part XII, line 4 ► \$ 518,953			506,327	
a Applied to 2015, 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 2016 distributable amount.				12,626
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2016 (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				
b Prior years' undistributed income Subtract line 4b from line 2b.				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017.				458,077
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 2011 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a.				
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.				
c Excess from 2014.				
d Excess from 2015.				
e Excess from 2016.				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling. ►				
b Check box to indicate whether the organization is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)				
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years		
	(a) 2016	(b) 2015	(c) 2014	(d) 2013
b 85% of line 2a				
c Qualifying distributions from Part XII, line 4 for each year listed				
d Amounts included in line 2c not used directly for active conduct of exempt activities				
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c				
3 Complete 3a, b, or c for the alternative test relied upon				
a "Assets" alternative test—enter				
(1) Value of all assets				
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.				
c "Support" alternative test—enter				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see instructions.)**1 Information Regarding Foundation Managers:**

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

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

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

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

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

JEFF MCNALLY
5825 DIXIE HIGHWAY
SAGINAW, MI 48601
(989) 777-2361

- b** The form in which applications should be submitted and information and materials they should include
LETTER FORM - NO FORMAL REQUIREMENTS

- c** Any submission deadlines

NONE

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

NONE

Part XV Supplementary Information (continued)

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

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 (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	89,008	
4 Dividends and interest from securities.			14	111,305	
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	-1,116	
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).				199,197	
13 Total. Add line 12, columns (b), (d), and (e).					199,197

(See worksheet in line 13 instructions to verify calculations)

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

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

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
AMERICAN WATER WORKS	P	2016-02-02	2016-02-09
VERIZON COMMUNICATIONS	P	2016-02-03	2016-02-09
APPLE INC	P	2015-11-23	2016-01-25
JAMES BALANCED GOLDEN RAINBOW FUND	P	2015-12-17	2016-02-05
AQUA AMERICA INC	P	2016-02-02	2016-02-09
PIMCO SHORT TERM INST BOND FUND	P	2016-01-27	2016-02-05
AT&T INC	P	2016-02-03	2016-02-09
VANGUARD MUN BD FD INC TAX EXEMPT BD	P	2016-01-15	2016-03-02
BERKSHIRE HATHAWAY	P	2014-09-22	2016-01-19
BOEING CO	P	2015-11-23	2016-01-25

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis (h) plus expense of sale	(h) (e) plus (f) minus (g)
32,209		31,646	563
35,176		34,725	451
23,507		29,267	-5,760
47,988		50,115	-2,127
31,761		30,508	1,253
398,858		400,148	-1,290
36,435		35,908	527
102,545		102,368	177
82,247		90,656	-8,409
18,302		22,219	-3,917

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
			563
			451
			-5,760
			-2,127
			1,253
			-1,290
			527
			177
			-8,409
			-3,917

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

List and describe the kind(s) of property sold (e.g., real estate, (a) 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.)
COCA COLA CO	P	2015-11-25	2016-02-09
COMCAST CORP NEW CL A	P	2015-11-23	2016-01-25
DEUTSCHE BK CONT CAP TR II	P	2010-07-16	2016-02-09
HONEYWELL INTL INC	P	2015-11-23	2016-02-09
HSBC HOLDINGS PLC SPON	P	2015-11-23	2016-01-25
LOCKHEED MARTIN CORP	P	2015-11-23	2016-02-09
MERRILL LYNCH CAP TR III 7%	P	2009-12-28	2016-01-29
MERRILL LYNCH CAP TR III 7 28%	P	2013-08-02	2016-01-29
MORGAN STANLEY CAP TR III	P	2013-01-14	2016-08-18

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

(e) Gross sales price	Depreciation allowed (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
29,856		30,315	-459
26,697		31,230	-4,533
136,962		136,526	436
20,496		20,758	-262
19,888		23,856	-3,968
21,210		22,256	-1,046
350,000		338,702	11,298
150,000		152,815	-2,815
100,000		100,408	-408

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
			-459
			-4,533
			436
			-262
			-3,968
			-1,046
			11,298
			-2,815
			-408

Form 990PF Part XV Line 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				
BIG BROTHERS BIG SISTERS GLBR 2200 N SAGINAW RD MIDLAND, MI 48640	NONE	NON-PROFIT	SUPPORT CHILDREN FACING ADVERSITY	5,000
BOY SCOUTS OF AMERICA WATER & WOODS 507 W ATHERTON RD FLINT, MI 48507	NONE	NON-PROFIT	SHAPE THE LIVES OF YOUTH	5,000
BRIDGEPORT HIGH SCHOOL 4961 BEARCAT BLVD BRIDGEPORT, MI 48722	NONE	SCHOOL	ALUMNI BUMPER STICKERS	248
BRIDGEPORT TOWNSHIP PARKS & REC 6206 DIXIE HIGHWAY BRIDGEPORT, MI 48722	NONE	PUBLIC CHARI	PROVIDE SUPPORT FOR CANOE LAUNCHES	30,000
CITY OF FRANKENMUTH PARKS & REC 240 W GENESEE STREET FRANKENMUTH, MI 48722	NONE	NON-PROFIT	RECONSTRUCT BOAT LAUNCH	1,000
CONCORDIA SEMINARY 801 SEMINARY PLACE ST LOUIS, MO 63105	NONE	SCHOOL	EDUCATION	25,000
COVENANT HEALTHCARE FOUND 4800 FASHION SQ BLVD STE 500 SAGINAW, MI 48604	NONE	NON-PROFIT	CAPITAL CAMPAIGN FOR BUILDING	23,407
FAITH LUTHERAN CHURCH 4432 MACKINAW ROAD SAGINAW, MI 48603	NONE	CHURCH	CAPITAL CAMPAIGN FOR KITCHEN FUND	30,000
HARTLEY OUTDOOR EDUCATION FOUNDATIO 12633 BEAVER ROAD ST CHARLES, MI 48655	NONE	NON-PROFIT	OUTDOOR EDUCATIONAL PROGRAMS	25,000
HIDDEN HARVEST 940 E GENESEE AVE SAGINAW, MI 48605	NONE	NON-PROFIT	DISTRIBUTION OF FOOD TO NONPROFIT AG	3,000
HOSPITAL HOSPITALITY HOUSE 1701 N MICHIGAN AVE SAGINAW, MI 48602	NONE	NON-PROFIT	LODGING FOR FAMILIES IN HOSPITALS	6,000
JUNIOR ACHIEVEMENT 1781 FORDNEY STREET SAGINAW, MI 48601	NONE	NON-PROFIT	PROVIDE FUNDING FOR STUDENTS	6,600
LUTHERAN SPECIAL EDUCATION MINISTRI 30415 W 13 MILE ROAD FARMINGTON HILLS, MI 48334	NONE	NON-PROFIT	BRING HOPE TO CHILDREN WITH SP NEEDS	5,000
MAJOR CHORDS FOR MINORS 103 S MASON ST SAGINAW, MI 48602	NONE	NON-PROFIT	YOUTH MUSIC EDUCATION	20,000
MAYO CLINIC 200 FIRST STREET SW ROCHESTER, MN 55905	NONE	NON-PROFIT	DIAGNOSE AND TREAT COMPLEX ILLNESS	50,000
Total				509,953
3a				

Form 990PF Part XV Line 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				
MOUNT CALVARY LUTHERAN CHURCH 17100 CHALMERS DETROIT, MI 48205	NONE	CHURCH	FELLOWSHIP	17,000
PIT & BALCONY THEATRE 805 N HAMILTON ST SAGINAW, MI 48602	NONE	NON-PROFIT	PERFORMING ARTS THEATRE	5,000
ROCK THE ISLAND 3023 DAVENPORT AVE SAGINAW, MI 48602	NONE	NON-PROFIT	PROMOTE CHRISTIAN MUSIC EVENT	15,000
SAGINAW ART MUSEUM 1126 N MICHIGAN AVE SAGINAW, MI 48602	NONE	NON-PROFIT	PROMOTE ART PRESERVATION	5,000
SAGINAW BASIN LAND CONSERVANCY 1008 N JOHNSON ST BAY CITY, MI 48708	NONE	NON-PROFIT	O U R SAGINAW PROJECT	5,000
SAGINAW COMMUNITY FOUNDATION ART IN PUBLIC PLACES 1 TUSCOLA ST SAGINAW, MI 48607	NONE	NON-PROFIT	ART IN PUBLIC PLACES	2,500
SAGINAW COUNTY YOUTH PROTECTION COU 1226 N MICHIGAN AVE SAGINAW, MI 48602	NONE	NON-PROFIT	PROVIDE FUNDING FOR NEW VAN	5,000
SAGINAW FUTURE 515 N WASHINGTON AVE 3RD FLOOR SAGINAW, MI 48607	NONE	NON-PROFIT	PROMOTE ECONOMIC GROWTH AND DEV	4,000
SAGINAW PROMISE ZONE AUTHORITY 1 TUSCOLA ST SAGINAW, MI 48607	NONE	NON-PROFIT	SCHOLARSHIP PROGRAM	7,000
SPECIAL OLYMPICS OF MICHIGAN 6624 TIMBER RIDGE DRIVE BLOOMFIELD, MI 48301	NONE	NON-PROFIT	FUND SAGINAW PARTICIPANTS IN OLYMPIC	1,000
SVRC INDUSTRIES 919 VETERANS MEMORIAL PKW SAGINAW, MI 48601	NONE	NON-PROFIT	SVRC MARKETPLACE PROJECT	50,000
UNDERGROUND RAILROAD 5647 STATE STREET SUITE A SAGINAW, MI 48603	NONE	NON-PROFIT	ASSIST WOMEN - DOMESTIC VIOLENCE	10,000
VALLEY LUTHERAN HIGH SCHOOL 3560 MCCARTY ROAD SAGINAW, MI 48603	NONE	SCHOOL	CAPITAL CAMPAIGN FOR BUILDING	142,858
YMCA OF SAGINAW 1915 FORDNEY STREET SAGINAW, MI 48601	NONE	NON-PROFIT	SUPPORT READING PROGRAM	5,340
Total ►				509,953
3a				

TY 2016 Accounting Fees Schedule

Name: WM MCNALLY FAMILY FOUNDATION**EIN:** 38-2429175

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT ACCOUNTING FEES	3,220	3,220	3,220	

TY 2016 Investments Corporate Bonds Schedule

Name: WM MCNALLY FAMILY FOUNDATION

EIN: 38-2429175

Name of Bond	End of Year Book Value	End of Year Fair Market Value
GENERAL ELEC CAP CORP MTN BE 5.4%	99,925	100,487
FIDELITY CONTRAFUND	326,212	546,143
FIDELITY CONTRAFUND +	200,000	
JAMES BALANCED: GOLDEN RAINBOW FUND		

TY 2016 Investments Corporate Stock Schedule

Name: WM MCNALLY FAMILY FOUNDATION
EIN: 38-2429175

Name of Stock	End of Year Book Value	End of Year Fair Market Value
AEGON NV	90,391	100,160
APPLE INC.		
ASSOCIATED BANC CORP COM	37,688	101,000
ASSOCIATED BANC-CORP WIS PERP PFD	138,956	98,800
ASSURED GTY MUN HLDGS INC	51,705	53,454
BANK AMER CORP DEP SHS REPSTG	100,888	100,160
BANK AMER CORP NON CUMULATIVE PER	403,357	408,380
BERKSHIRE HATHAWA INC	49,014	171,129
BOEING CO		
COCA COLA CO		
COMCAST		
DOW CHEMICAL	154,298	265,987
DEUTSCHE BK CONT CAP		
HONEYWLELL INTL INC.		
HSBC HOLDINGS PLC		
JOHNSON & JOHNSON	55,840	138,342
LOCKHEED MARTIN CORP		
MERRILL LYNCH CAP TR III 7%		
MERRILL LYNCH CAP TR III 7% TOPRS		
MICROSOFT CORP	103,223	124,280
MORGAN STANLEY CAP TR III CAP 6.25%		
NUVEEN PREFERRED SECURITIES IN COM	92,398	93,100
OMNICOM GROUP	40,752	42,555
PEPSICO INC	109,034	104,630
PHILIP MORRIS INTL INC COM	94,403	91,490
PORTLAND GEN ELEC CO COM NEW	42,514	43,330
PROCTOR & GAMBLE	129,283	187,148
RAYTHEON CO COM NEW	111,719	113,600
TEXAS INSTRUMENTS	61,014	72,970
3M COMPANY	101,403	107,142

Name of Stock	End of Year Book Value	End of Year Fair Market Value
UNITED PARCEL SVS INC CL B	50,949	57,320
VERIZON COMMUNICATIONS	104,945	106,760
WALMART STORES INC COM	103,942	96,768
WELLS FARGO & CO NEW	276,596	297,500

TY 2016 Investments Government Obligations Schedule

Name: WM MCNALLY FAMILY FOUNDATION

EIN: 38-2429175

**US Government Securities - End
of Year Book Value:**

**US Government Securities - End
of Year Fair Market Value:**

**State & Local Government
Securities - End of Year Book
Value:**

1,905,274

**State & Local Government
Securities - End of Year Fair
Market Value:**

1,799,399

TY 2016 Investments - Other Schedule

Name: WM MCNALLY FAMILY FOUNDATION**EIN:** 38-2429175

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
FQF TR OSHARS FTSE US	AT COST	56,695	54,960

TY 2016 Other Expenses Schedule

Name: WM MCNALLY FAMILY FOUNDATION
EIN: 38-2429175

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
MEALS AT MEETINGS	1,412	1,412	1,412	
MEMBERSHIP DUES	2,600	2,600	2,600	
MICHIGAN ANNUAL REPORT	20	20	20	
MISCELLANOUS FEES	32	32	32	

TY 2016 Other Professional Fees Schedule

Name: WM MCNALLY FAMILY FOUNDATION

EIN: 38-2429175

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT OTHER PROFESSIONAL FEES	12,000	12,000	12,000	