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Return of Private Foundation

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

OMB No 1545-0052

2016

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

For calendar year 2016 or tax year beginning

, and ending

Name of foundation PROSPECT CREEK FOUNDATION		A Employer identification number 41-1736420
Number and street (or P.O. box number if mail is not delivered to street address) 4900 IDS CENTER 80 SOUTH 8TH STREET	Room/suite	B Telephone number 612-672-9603
City or town, state or province, country, and ZIP or foreign postal code MINNEAPOLIS, MN 55402		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization: ☐ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☒ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 44,201,648.	J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received		0.		N/A	
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		83,651.	83,651.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		1,887,218.			
b Gross sales price for all assets on line 6a					
7 Capital gain net income (from Part IV, line 2)			1,887,218.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		12,457,573.	-137,295.		STATEMENT 2
12 Total. Add lines 1 through 11		14,428,442.	1,833,574.		
13 Compensation of officers, directors, trustees, etc.		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		10,847.	0.		10,847.
c Other professional fees STMT 4		37,418.	37,418.		0.
17 Interest					
18 Taxes STMT 5		91,800.	0.		25.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 6		4,594.	0.		4,274.
24 Total operating and administrative expenses. Add lines 13 through 23		144,659.	37,418.		15,146.
25 Contributions, gifts, grants paid		7,137,003.			7,137,003.
26 Total expenses and disbursements. Add lines 24 and 25		7,281,662.	37,418.		7,152,149.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		7,146,780.			
b Net investment income (if negative, enter -0-)			1,796,156.		
c Adjusted net income (if negative, enter -0-)				N/A	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing		4,385.	155,978.	155,978.
	2	Savings and temporary cash investments		4,607,358.	13,573,400.	13,573,400.
	3	Accounts receivable ▶				
		Less: allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations STMT 7		2,998,374.	0.	0.
	b	Investments - corporate stock STMT 8		2,107,149.	2,215,841.	3,794,755.
	c	Investments - corporate bonds				
	Liabilities	11	Investments - land, buildings, and equipment basis ▶			
		Less: accumulated depreciation ▶				
12		Investments - mortgage loans				
13		Investments - other STMT 9		25,758,697.	26,677,524.	26,677,515.
14		Land, buildings, and equipment basis ▶				
		Less: accumulated depreciation ▶				
15		Other assets (describe ▶)				
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		35,475,963.	42,622,743.	44,201,648.
17		Accounts payable and accrued expenses				
18		Grants payable				
Net Assets or Fund Balances	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐					
	and complete lines 24 through 26 and lines 30 and 31					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ ☒					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		35,475,963.	42,622,743.	
28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.		
29	Retained earnings, accumulated income, endowment, or other funds		0.	0.		
	30	Total net assets or fund balances		35,475,963.	42,622,743.	
	31	Total liabilities and net assets/fund balances		35,475,963.	42,622,743.	

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	35,475,963.
2	Enter amount from Part I, line 27a	2	7,146,780.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	42,622,743.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	42,622,743.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b SEE ATTACHED STATEMENT			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			1,887,218.

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			
b			
c			
d			
e			1,887,218.

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	1,887,218.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	{ }	3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2015	7,486,343.	39,240,276.	.190782
2014	2,951,687.	55,121,956.	.053548
2013	2,782,667.	48,515,282.	.057357
2012	1,813,117.	44,145,897.	.041071
2011	2,441,443.	44,022,431.	.055459

2 Total of line 1, column (d)	2	.398217
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	.079643
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	46,461,627.
5 Multiply line 4 by line 3	5	3,700,343.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	17,962.
7 Add lines 5 and 6	7	3,718,305.
8 Enter qualifying distributions from Part XII, line 4	8	7,152,149.

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

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-)

3 Add lines 1 and 2

4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-

6 Credits/Payments:

a 2016 estimated tax payments and 2015 overpayment credited to 2016

b Exempt foreign organizations - tax withheld at source

c Tax paid with application for extension of time to file (Form 8868)

d Backup withholding erroneously withheld

7 Total credits and payments. Add lines 6a through 6d

8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached

9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed

10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid

11 Enter the amount of line 10 to be: Credited to 2017 estimated tax

77,228. Refunded

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?

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?

If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities

c Did the foundation file Form 1120-POL for this year?

d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:

(1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.

e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.

2 Has the foundation engaged in any activities that have not previously been reported to the IRS?

If "Yes," attach a detailed description of the activities

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

4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?

b If "Yes," has it filed a tax return on Form 990-T for this year?

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?

If "Yes," attach the statement required by General Instruction T

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?

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 XIV

8a Enter the states to which the foundation reports or with which it is registered (see instructions) MN

b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation

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)? If "Yes," complete Part XIV

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

Yes No

1a X

1b X

1c X

2 X

3 X

4a X

4b X

5 X

6 X

7 X

8b X

9 X

10 X

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Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	X	
14 The books are in care of ► JULIE PIRAS Telephone no. ► 612-672-9603 Located at ► 4900 IDS CENTER, MINNEAPOLIS, MN ZIP+4 ► 55402		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year 15 N/A		
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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►		X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here N/A	1b	
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	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 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 ► b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►	2b	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No b If "Yes," did it have excess business holdings in 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) N/A	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b	X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

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?

N/A

7b

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

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

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

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

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

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

0

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

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

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 NONE	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	5,446,769.
b	Average of monthly cash balances	1b	15,044,880.
c	Fair market value of all other assets	1c	26,677,515.
d	Total (add lines 1a, b, and c)	1d	47,169,164.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	47,169,164.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	707,537.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	46,461,627.
6	Minimum investment return. Enter 5% of line 5	6	2,323,081.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	2,323,081.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	17,962.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	17,962.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,305,119.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,305,119.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	2,305,119.

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	7,152,149.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	7,152,149.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	17,962.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	7,134,187.

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

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				2,305,119.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				4,316,772.
f Total of lines 3a through e	4,316,772.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ \$ 7,152,149.				
a Applied to 2015, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2016 distributable amount				2,305,119.
e Remaining amount distributed out of corpus	4,847,030.			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:	9,163,802.			
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	9,163,802.			
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015	4,316,772.			
e Excess from 2016	4,847,030.			

N/A

- ☐ 4942(1)(3) or ☐ 4942(1)(5)

- [illegible]

N/A

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
ABBOT NORTHWESTERN HOSPITAL 800 EAST 28TH STREET MINNEAPOLIS, MN 55407		PC	OPERATIONAL	5,000.
AVALON CHARTER SCHOOL 700 GLENDALE STREET ST. PAUL, MN 55102		PC	OPERATIONAL	99,500.
BERKELEY REPERTORY THEATER 999 HARRISON STREET BERKELEY, CA 94710		PC	OPERATIONAL	1,500.
BREAKTHROUGH COLLABORATIVE 545 SANSOME STREET, SUITE 700 SAN FRANCISCO, CA 94111		PC	OPERATIONAL	5,000.
CALIFORNIA STATE PARKS FOUNDATION 50 FRANCISCO STREET, SUITE 110 SAN FRANCISCO, CA 94133		PC	OPERATIONAL	1,000.
Total SEE CONTINUATION SHEET(S)				7,137,003.
b Approved for future payment				
NONE				
Total				0.

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		X
	(2) Other assets		X
b	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization		X
	(2) Purchases of assets from a noncharitable exempt organization		X
	(3) Rental of facilities, equipment, or other assets		X
	(4) Reimbursement arrangements		X
	(5) Loans or loan guarantees		X
	(6) Performance of services or membership or fundraising solicitations		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		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.		

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

b If "Yes," complete the following schedule.

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

**Sign
Here**

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

May the IRS discuss this return with the preparer

☒ Yes ☐ No

Signature of officer or trustee

Date 10/10/17

DIRECTOR
Title

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if
self-employed

PTIN

TERRANCE O'REILLY

Firm's name ► CLIFTONLARSONALLEN LLP

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

Firm's EIN ▶ 41-0746749

Phone no. 612-376-4500

Form 990-PF (2016)

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	PUBLICLY TRADED SECURITY			
b	PUBLICLY TRADED SECURITY			
c	BAUPOST VALUE LP - I			
d	FARALLON CAPITAL PARTNERS			
e	PRIME-SCRC LP			
f	VALUEACT CAPITAL PARTNERS			
g	SPO PARTNERS II, L.P.			
h	MARATHON FUND LIMITED PARTNERSHIP V			
i	HCP WPPE X INVESTORS, LLC			
j				
k				
l				
m				
n				
o				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			1,957.
b			49,632.
c			959,694.
d			-2,436.
e			123.
f			450,069.
g			328,842.
h			6,706.
i			92,631.
j			
k			
l			
m			
n			
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			1,957.
b			49,632.
c			959,694.
d			-2,436.
e			123.
f			450,069.
g			328,842.
h			6,706.
i			92,631.
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss)

{ If gain, also enter in Part I, line 7
If (loss), enter "-0-" in Part I, line 7 }

2

1,887,218.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):

If gain, also enter in Part I, line 8, column (c).

If (loss), enter "-0-" in Part I, line 8

3

N/A

PROSPECT CREEK FOUNDATION

41-1736420

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
CAMEO CINEMA 1340 MAIN STREET ST. HELENA, CA 94574		PC	OPERATIONAL	10,000.
CARMEL AUTHORS & IDEAS FESTIVAL PO BOX 2424 CARMEL, CA 93921		PC	OPERATIONAL	1,000.
CHAMBER MUSIC IN NAPA VALLEY 4375 ATLAS PEAK ROAD NAPA, CA 94558		PC	OPERATIONAL	1,000.
CHILDREN'S THEATRE COMPANY 2400 3RD AVENUE SOUTH, MINNEAPOLIS, MN 55404 MINNEAPOLIS, CA 55404		PC	OPERATIONAL	3,000.
CLINIC OLE 1141 PEAR TREE LANE, SUITE 260, NAPA, CA 94558 NAPA, CA 94558		PC	OPERATIONAL	100,000.
COLLABORATION FOR ACHIEVEMENT PROJECT 4632 VINCENT AVE S. MINNEAPOLIS, MN 55404		PC	OPERATIONAL	50,000.
COLLEGE POSSIBLE 540 FAIRVIEW AVENUE ST. PAUL, MN 55104		PC	OPERATIONAL	2,000.
DAWN REDWOODS CHARITABLE TRUST 1 BLACKFIELD DRIVE, #331 TIBURON, CA 94920		PC	OPERATIONAL	1,000.
EVANS SCHOLARS FOUNDATION 721 UNIVERSITY PLACE EVANSTON, IL 60201		PC	OPERATIONAL	500.
FINE ARTS MUSEUM OF SAN FRANCISCO 233 POST STREET SAN FRANCISCO, CA 94108		PC	OPERATIONAL	10,000.
Total from continuation sheets				7,025,003.

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
FRIENDS & FDN ST. HELENA PUBLIC LIBRARY BOX 171 ST. HELENA, CA 94574		PC	OPERATIONAL	2,000.
FRIENDSHIP ACADEMY OF THE ARTS 2600 EAST 38TH ST MINNEAPOLIS, MN 55405		PC	OPERATIONAL	140,000.
GALAPAGOS CONSERVANCY 11150 FAIRFAX BLVD., SUITE 408 FAIRFAX, VA 22040		PC	OPERATIONAL	500.
GENTRY COUNTY SOIL & WATER CONSERVATION 512 EAST HIGHWAY 136 ALBANY, MO 64402		PC	OPERATIONAL	500.
GRAYWOLF PRESS 2402 UNIVERSITY AVE, SUITE 203 ST. PAUL, MN 55114		PC	OPERATIONAL	2,500.
GREATER MINNEAPOLIS CRISIS NURSERY 5400 GLENWOOD AVENUE MINNEAPOLIS, MN 55422		PC	OPERATIONAL	1,500.
GUTHRIE THEATER 818 2ND STREET SO MINNEAPOLIS, MN 55415		PC	OPERATIONAL	135,000.
HABITAT FOR HUMANITY 3001 4TH STREET SE MINNEAPOLIS, MN 55414		PC	OPERATIONAL	2,000.
HIGHPOINT CENTER FOR PRINTMAKING 2638 LYNDAL AVE S. MINNEAPOLIS, MN 55408		PC	OPERATIONAL	1,000.
HOOVER INSTITUTION STANFORD UNIVERSITY, 326 GALVEZ STREET STANFORD, CA 94305		PC	OPERATIONAL	10,000.
Total from continuation sheets				

PROSPECT CREEK FOUNDATION

41-1736420

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
INTERFAITH OUTREACH 110 GRAND AVENUE SOUTH WAYZATA, MN 55391		PC	OPERATIONAL	2,000.
KIPP STAND ACADEMY 5034 OLIVER AVENUE NORTH MINNEAPOLIS, MN 55430		PC	OPERATIONAL	105,000.
LAW CENTER TO PREVENT GUN VIOLENCE 268 BUSH STREET, #555 SAN FRANCISCO, CA 94104		PC	OPERATIONAL	5,000.
MENTORING PARTNERSHIP OF MINNESOTA 81 SOUTH 9TH STREET, SUITE 200 MINNEAPOLIS, MN 55402		PC	OPERATIONAL	1,500.
MINNEAPOLIS CHESS 807 BROADWAY STREET NE MINNEAPOLIS, MN 55413		PC	OPERATIONAL	1,000.
MINNEAPOLIS INSTITUTE OF ARTS 2400 3RD AVENUE SOUTH MINNEAPOLIS, MN 55404		PC	OPERATIONAL	20,000.
MINNEAPOLIS PARKS FOUNDATION 4800 MINNEHAHA AVENUE SOUTH MINNEAPOLIS, MN 55417		PC	OPERATIONAL	102,500.
MINNESOTA HISTORICAL SOCIETY 345 WEST KELLOGG BLVD ST. PAUL, MN 55102		PC	OPERATIONAL	2,500.
MINNESOTA LAND TRUST 2356 UNIVERSITY AVENUE WEST, SUITE 240 ST. PAUL, MN 55114		PC	OPERATIONAL	2,000.
MINNESOTA OPERA 620 NORTH 1ST ST MINNEAPOLIS, MN 55401		PC	OPERATIONAL	5,000.
Total from continuation sheets				

PROSPECT CREEK FOUNDATION

41-1736420

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
MINNESOTA ORCHESTRA 1111 NICOLLET MALL MINNEAPOLIS, MN 55403		PC	OPERATIONAL	15,000.
MINNESOTA PUBLIC RADIO 480 CEDAR STREET ST. PAUL, MN 55101		PC	OPERATIONAL	4,000.
MINNESOTA YOUTH SYMPHONIES 790 CLEVELAND AVENUE ST. PAUL, MN 55116		PC	OPERATIONAL	1,000.
MINNESOTA ZOO 13000 ZOO BLVD APPLE VALLEY, MN 55124		PC	OPERATIONAL	2,000.
MINNETONKA CENTER FOR THE ARTS 2240 NORTH SHORE DRIVE WAYZATA, MN 55391		PC	OPERATIONAL	2,000.
MOMA 11 WEST 53RD STREET NEW YORK, NY 10019		PC	OPERATIONAL	1,000.
NAPA LEARNS 2121 IMOLA AVENUE NAPA, CA 94559		PC	OPERATIONAL	60,000.
NAPA POLICE OFFICERS' ASSOCIATION 1539 FIRST STREET NAPA, CA 94559		PC	OPERATIONAL	500.
NAPA VALLEY VINE TRAIL COALITION PO BOX 93, ST. HELENA ST. HELENA, CA 94574		PC	OPERATIONAL	1,000.
NATIONAL PARK FOUNDATION 1110 VERMONT AVE WASHINGTON, DC 20005		PC	OPERATIONAL	750.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
NEW CITY SCHOOL 229 13TH AVENUE NE MINNEAPOLIS, MN 55413		PC	OPERATIONAL	57,500.
NORTHEAST COLLEGE PREP CHARTER SCHOOL 300 INDUSTRIAL BLVD NE MINNEAPOLIS, MN 55413		PC	OPERATIONAL	50,000.
NORTHERN CLAY CENTER 2424 FRANKLIN AVENUE EAST MINNEAPOLIS, MN 55405		PC	OPERATIONAL	2,000.
ORDWAY CENTER FOR PERFORMING ARTS 345 WASHINGTON STREET ST. PAUL, MN 55102		PC	OPERATIONAL	2,000.
OREGON HEALTH & SCIENCE UNIVERSITY 3303 SW BOND AVE PORTLAND, OR 97239		PC	OPERATIONAL	4,352,824.
PAGE EDUCATION FOUNDATION PO BOX 581254 MINNEAPOLIS, MN 55458		PC	OPERATIONAL	1,000.
PARKS & TRAILS COUNCIL OF MINNESOTA 275 EAST 4TH STREET ST. PAUL, MN 55101		PC	OPERATIONAL	1,000.
PATHWAYS 3115 HENNEPIN AVENUE SOUTH MINNEAPOLIS, MN 55408		PC	OPERATIONAL	2,500.
PHILANTHROPY ROUNDTABLE 1730 M STREET NW, SUITE 601 WASHINGTON, DC 20036		PC	OPERATIONAL	10,000.
PLANNED PARENTHOOD 1200 LAGOON AVENUE MINNEAPOLIS, MN 55408		PC	OPERATIONAL	5,000.
Total from continuation sheets				

PROSPECT CREEK FOUNDATION

41-1736420

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
POMONA 333 NORTH COLLEGE WAY CLAREMONT, CA 91711		PC	OPERATIONAL	15,000.
PRINCETON UNIVERSITY 200 ELM DRIVE PRINCETON, NJ 08544		PC	OPERATIONAL	90,050.
PUBLIC RADIO INTERNATIONAL 401 2ND AVENUE NORTH MINNEAPOLIS, MN 55402		PC	OPERATIONAL	1,500.
RIANDA HOUSE 1475 MAIN STREET ST. HELENA, CA 94574		PC	OPERATIONAL	2,000.
RUTHERFORD VOLUNTEER FIRE DEPARTMENT 1199 BIG TREE ROAD ST. HELENA, CA 94574		PC	OPERATIONAL	500.
SAN FRANCISCO MUSEUM OF MODERN ART 151 THIRD STREET SAN FRANCISCO, CA 94574		PC	OPERATIONAL	101,000.
SCIENCE MUSEUM OF MINNESOTA 120 KELLOGG BLVD ST. PAUL, MN 55102		PC	OPERATIONAL	5,000.
ST. HELENA FARMER'S MARKET PO BOX 70 ST. HELENA, CA 94574		PC	OPERATIONAL	1,000.
ST. HELENA HOSPITAL FOUNDATION 10 WOODLAND ROAD ST. HELENA, CA 94574		PC	OPERATIONAL	35,000.
ST. PAUL CHAMBER ORCHESTRA 408 ST. PETER STREET ST. PAUL, MN 55102		PC	OPERATIONAL	5,000.
Total from continuation sheets				

PROSPECT CREEK FOUNDATION

41-1736420

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
STANFORD GRADUATE SCHOOL OF BUSINESS 326 GALVEZ STREET STANFORD, CA 94305		PC	OPERATIONAL	10,000.
STORE TO DOOR 1821 UNIVERSITY AVE WEST, SUITE 112 ST. PAUL, MN 55104		PC	OPERATIONAL	1,000.
SUMMIT ACADEMY 935 OLSON MEMORIAL HIGHWAY MINNEAPOLIS, MN 55405		PC	OPERATIONAL	120,000.
TELLURIDE FILM FESTIVAL 800 JONES STREET BERKELEY, CA 94710		PC	OPERATIONAL	9,050.
THE ARTS PARTNERSHIP 345 WASHINGTON STREET ST. PAUL, MN 55102		PC	OPERATIONAL	20,000.
THE BLAKE SCHOOL 110 BLAKE ROAD S. HOPKINS, MN 55343		PC	OPERATIONAL	15,000.
THE BRIDGE 2200 EMERSON AVENUE SO MINNEAPOLIS, MN 55405		PC	OPERATIONAL	1,000.
THE JUNGLE THEATER 2951 LYNDAL AVE SOUTH MINNEAPOLIS, MN 55408		PC	OPERATIONAL	1,000.
THE NATURE CONSERVANCY 1101 WEST RIVER PKWY MINNEAPOLIS, MN 55415		PC	OPERATIONAL	4,000.
THE TRUST FOR PUBLIC LAND 2610 UNIVERSITY AVENUE, SUITE 300 ST. PAUL, MN 55114		PC	OPERATIONAL	2,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
THE WHITE BARN 2727 SULPHUR SPRINGS AVENUE ST. HELENA, CA 94574		PC	OPERATIONAL	1,000.
TUBMAN 3111 FIRST AVE S. MINNEAPOLIS, MN 55408		PC	OPERATIONAL	1,000.
TWIN CITIES PUBLIC TELEVISION 172 EAST 4TH STREET ST. PAUL, MN 55101		PC	OPERATIONAL	3,000.
UNITED WAY 404 SOUTH 8TH STREET MINNEAPOLIS, MN 55404		PC	OPERATIONAL	35,000.
UNITED WORLD COLLEGE PO BOX 248 MONTEZUMA, NM 87731		PC	OPERATIONAL	25,000.
UNIVERSITY OF MINNESOTA 420 DELAWARE STREET SE MINNEAPOLIS, MN 55455		GOV	OPERATIONAL	250,000.
UPVALLEY FAMILY CENTER 1440 SPRING STREET ST. HELENA, CA 94570		PC	OPERATIONAL	2,000.
WALKER ART CENTER 1750 HENNEPIN AVENUE MINNEAPOLIS, MN 55403		PC	OPERATIONAL	530,000.
WAY TO GROW 125 W BROADWAY MINNEAPOLIS, MN 55411		PC	OPERATIONAL	1,000.
WAYZATA FIRE DEPARTMENT 600 RICE STREET WAYZATA, MN 55391		GOV	OPERATIONAL	500.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
WAYZATA HISTORICAL SOCIETY 402 LAKE STREET EAST WAYZATA, MN 55391		PC	OPERATIONAL	500.
WOMEN CANDIDATE DEVELOPMENT COALITION 550 RICE STREET ST. PAUL, MN 55103		PC	OPERATIONAL	1,000.
WOMEN VENTURE 2324 UNIVERSITY AVE ST. PAUL, MN 55114		PC	OPERATIONAL	1,000.
AIM HIGH PO BOX 410715 SAN FRANCISCO, CA 94141		PC	OPERATIONAL	1,000.
BOWDOIN PO BOX 15019 LEWISTON, ME 04243		PC	OPERATIONAL	2,000.
BREAKTHROUGH TWIN CITIES 2051 LARPENTER AVE ST PAUL, MN 55109		PC	OPERATIONAL	1,000.
FRIENDS OF MPLS PUBLIC LIBRARY 300 NICOLLET MALL MINNEAPOLIS, MN 55401		PC	OPERATIONAL	2,000.
GROVES ACADEMY 3200 HIGHWAY 100 S ST LOUIS PARK, MN 55416		PC	OPERATIONAL	10,000.
LAND TRUST OF NAPA VALLEY 1700 SOSCOL AVENUE NAPA, CA 94599		PC	OPERATIONAL	15,000.
MACPHAIL CENTER 501 SOUTH 2ND STREET MINNEAPOLIS, MN 55402		PC	OPERATIONAL	1,000.
Total from continuation sheets				

PROSPECT CREEK FOUNDATION

41-1736420

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
MAYO FOUNDATION 200 FIRST ST NW ROCHESTER, MN 55905		PC	OPERATIONAL	171,652.
MPLS COLLEGE PREP 2131 12TH AVENUE N MINNEAPOLIS, MN 55411		PC	OPERATIONAL	10,000.
MUSIC IN THE VINEYARDS PO BOX 6297 NAPA, CA 94581		PC	OPERATIONAL	1,500.
PROJECT FOR PRIDE IN LIVING 1035 EAST FRANKLIN MINNEAPOLIS, MN 55404		PC	OPERATIONAL	2,000.
ST. HELENA CHORAL SOCIETY PO BOX 164 ST. HELENA, CA 94574		PC	OPERATIONAL	1,000.
SUMMER SEARCH 159 H STREET PETALUMA, CA 94952		PC	OPERATIONAL	2,000.
THE CENTER FOR VICTIMS OF TORTURE 649 DAYTON AVE ST PAUL, MN 55104		PC	OPERATIONAL	2,000.
THE FISK FUNK FOR FIH UNIVERSITY 1000 17TH AVE NO NASHVILLE, TN 37208		PC	OPERATIONAL	10,000.
THE MINNEAPOLIS FOUNDATION 80 SOUTH 8TH ST MINNEAPOLIS, MN 55402		PC	OPERATIONAL	25,000.
THE ORIGINS PROGRAM 3805 GRAND AVE SO MINNEAPOLIS, MN 55409		PC	OPERATIONAL	59,677.
Total from continuation sheets				

41-1736420

3 Grants and Contributions Paid During the Year (Continuation)

623631
04-01-18

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
DIVIDENDS	74,860.	0.	74,860.	74,860.	
INTEREST	13,086.	0.	13,086.	13,086.	
ACQUIRED INTEREST	-4,295.	0.	-4,295.	-4,295.	
DO PART I, LINE 4	83,651.	0.	83,651.	83,651.	

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP K-1 ACTIVITY	12,457,573.	-137,295.	
TOTAL TO FORM 990-PF, PART I, LINE 11	12,457,573.	-137,295.	

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	10,847.	0.		10,847.
DO FORM 990-PF, PG 1, LN 16B	10,847.	0.		10,847.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	37,418.	37,418.		0.
DO FORM 990-PF, PG 1, LN 16C	37,418.	37,418.		0.

FORM 990-PF	TAXES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FORM 990-PF TAXES	85,525.	0.		0.
MINNESOTA FILING FEE	25.	0.		25.
FORM 990-T TAXES	6,250.	0.		0.
FORM 990-PF, PG 1, LN 18	91,800.	0.		25.

FORM 990-PF	OTHER EXPENSES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CORE TRANSFER FEES	420.	0.		420.
SCCELLANEOUS	4,174.	0.		3,854.
FORM 990-PF, PG 1, LN 23	4,594.	0.		4,274.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	7
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT	X		0.	0.
TOTAL U.S. GOVERNMENT OBLIGATIONS				
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			0.	0.

FORM 990-PF	CORPORATE STOCK	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT	2,215,841.	3,794,755.
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,215,841.	3,794,755.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
PARTNERSHIPS - SEE STATEMENT	COST	26,677,524.	26,677,515.
TOTAL TO FORM 990-PF, PART II, LINE 13		26,677,524.	26,677,515.

Prospect Creek Foundation
Asset Summary - Cost & FMV
at 12/31/2016

	SCHWAB #4346	SCHWAB #5313	MCDONALD CAPITAL	CHECKING	PRTNRSHPS	TOTALS
AT COST - 2015						
Cash				4,385		4,385
Money Market	22,913	4,199,852	384,592			4,607,358
Equities			2,107,149			2,107,149
Corporate Bonds			-			-
Government Securities	2,998,374				25,758,693	2,998,374
Other						25,758,693
	3,021,287	4,199,852	2,491,741	4,385	25,758,693	35,475,959

AT COST - 2016						
Cash				155,978		155,978
Money Market	49,786	13,161,874	361,740			13,573,400
Equities			2,215,841			2,215,841
Corporate Bonds			-			-
Government Securities	-				26,677,524	-
Other						26,677,524
	49,786	13,161,874	2,577,581	155,978	26,677,515	42,622,734

AT FMV - 2016						
Cash				155,978		155,978
Money Market	49,786	13,161,874	361,740			13,573,400
Equities			3,794,755			3,794,755
Corporate Bonds			-			-
Government Securities	-				26,677,515	-
Other						26,677,515
	49,786	13,161,874	4,156,495	155,978	26,677,515	44,201,648

McDonald Capital Investors
PORTFOLIO APPRAISAL
Prospect Creek Foundation
December 31, 2016

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
COMMON STOCK							
2,525	Cardinal Health Inc.	38.95	98,347.50	71.97	181,724.25	4.4	2.2
4,250	Comcast Corp Class A	20.63	87,695.83	69.05	293,462.50	7.1	1.4
930	Core Laboratories	97.54	90,709.10	120.04	111,637.20	2.7	1.6
3,365	Ecolab Inc.	48.10	161,868.64	117.22	394,445.30	9.5	1.1
6,700	Expeditors Intl Wash	39.21	262,685.68	52.96	354,832.00	8.5	1.4
7,725	Fastenal Co.	42.23	326,195.98	46.98	362,920.50	8.7	2.4
4,400	Nike Inc. Class B	6.38	28,080.25	50.83	223,652.00	5.4	2.2
7,425	Paychex Inc.	29.31	217,595.38	60.88	452,034.00	10.9	2.5
12,875	Progressive Corp.	17.94	230,938.26	35.50	457,062.50	11.0	1.9
235	Roper Technologies	166.84	39,207.45	183.08	43,023.80	1.0	0.2
2,735	Stericycle	96.11	262,857.14	77.04	210,704.40	5.1	0.0
2,295	Union Pacific	91.94	210,999.22	103.68	237,945.60	5.7	2.1
575	Waters Corp.	27.66	15,902.26	134.39	77,274.25	1.9	0.0
7,150	Wells Fargo Inc.	25.56	182,757.88	55.11	394,036.50	9.5	2.7
			2,215,840.58		3,794,754.80	91.2	1.8