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

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning , and ending

Name of foundation: Morsman Family Foundation

A Employer identification number: 41-2008689

Number and street (or P O box number if mail is not delivered to street address): 1340 Ferndale Road N — Room/suite:

B Telephone number: 763-473-4854

City or town, state or province, country, and ZIP or foreign postal code: Plymouth, MN 55447-2580

C If exemption application is pending, check here ▶ [ ]

G Check all that apply: [ ] Initial return [ ] Initial return of a former public charity [ ] Final return [ ] Amended return [X] Address change [ ] Name change

D 1. Foreign organizations, check here ▶ [ ]

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

H Check type of organization: [X] 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) ▶$ 559,979.

J Accounting method: [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis.)

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

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

	Line	(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	13,836.	13,720.		Statement 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	11,951.			
	b Gross sales price for all assets on line 6a 40,196.				
	7 Capital gain net income (from Part IV, line 2)		11,951.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	25,787.	25,671.		
Operating and Administrative Expenses	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 2	1,325.	0.		1,325.
	c Other professional fees Stmt 3	5,732.	5,732.		0.
	17 Interest				
	18 Taxes Stmt 4	1,890.	36.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses Stmt 5	105.	80.		25.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	9,052.	5,848.		1,350.
	25 Contributions, gifts, grants paid	24,600.			24,600.
	26 **Total expenses and disbursements.** Add lines 24 and 25	33,652.	5,848.		25,950.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<7,865.>			
	b **Net investment income** (if negative, enter -0-)		19,823.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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P 14

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	17,982.	5,460.	5,460.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock Stmt 6	349,172.	353,829.	554,519.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	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)	367,154.	359,289.	559,979.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	367,154.	359,289.	
	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	367,154.	359,289.	
	31 Total liabilities and net assets/fund balances	367,154.	359,289.	

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	367,154.
2	Enter amount from Part I, line 27a	2	<7,865.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	359,289.
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	359,289.

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 Securities	P		
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	40,196.		28,245.	11,951.
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				11,951.
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	11,951.
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	23,710.	536,164.	.044222
2014	25,299.	526,409.	.048060
2013	20,790.	472,109.	.044036
2012	19,429.	414,904.	.046828
2011	18,675.	404,263.	.046195

2	Total of line 1, column (d)	2	.229341
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	.045868
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	546,374.
5	Multiply line 4 by line 3	5	25,061.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	198.
7	Add lines 5 and 6	7	25,259.
8	Enter qualifying distributions from Part XII, line 4	8	25,950.

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 ▶ [X] and enter 1% of Part I, line 27b			1	198.
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	198.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	198.
6 Credits/Payments:				
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	920.		
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	920.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	722.
11 Enter the amount of line 10 to be: **Credited to 2017 estimated tax** ▶ 722. **Refunded** ▶			11	0.

Part VII-A Statements Regarding Activities

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MN			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (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)*

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

Website address ▶ N/A

14 The books are in care of ▶ Edgar M. Morsman, Jr. Telephone no. ▶763-473-4854

Located at ▶1340 Ferndale Road N, Plymouth, MN ZIP+4 ▶55447-2580

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

		Line	Yes	No
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		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

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

			Line	Yes	No
1a	During the year did the foundation (either directly or indirectly):				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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?		6b	X
If "Yes" to 6b, file Form 8870.			
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No		
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	7b	

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 7		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

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 N/A	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	540,965.
b	Average of monthly cash balances	1b	13,729.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	554,694.
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	554,694.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	8,320.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	546,374.
6	**Minimum investment return.** Enter 5% of line 5	6	27,319.

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	27,319.
2a	Tax on investment income for 2016 from Part VI, line 5 — 2a: 198.		
b	Income tax for 2016. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	198.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	27,121.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	27,121.
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	27,121.

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	25,950.
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	25,950.
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	198.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	25,752.

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				27,121.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			24,102.	
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				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ $ 25,950.				
a Applied to 2015, but not more than line 2a			24,102.	
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				1,848.
e Remaining amount distributed out of corpus	0.			
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:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 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				25,273.
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	0.			
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) N/A

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

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

1 **Information Regarding Foundation Managers:**

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

See Statement 8

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:

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

c Any submission deadlines:

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

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				
Brooke USA 4089 Iron Works Parkway Lexington, KY 40411	None	PC	Helps to keep working animals healthy in the poorest countries	1,200.
Conservation Colorado 1536 Wynkoop Street, #5c Denver, CO 80202	None	PC	Support for conservation in Colorado.	1,365.
Dumb Friends League 2080 South Quebec Street Denver, CO 80231-3298	None	PC	Provides homes for dogs.	1,365.
Freedom Service Dogs 2000 West Union Drive Englewood, CO 80110-5567	None	PC	Trains service dogs to assist people.	1,370.
Habitat for Humanity of Denver Metro 3245 Eliot St Denver, CO 80211	None	PC	Low income housing.	1,365.
Total See continuation sheet(s)			▶ 3a	24,600.
b Approved for future payment				
None				
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)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	13,836.	
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	11,951.	
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.		25,787.	0.

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 25,787.

(See worksheet in line 13 instructions to verify calculations.)

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

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

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

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

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

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

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

b If "Yes," complete the following schedule.

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

Sign Here

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

Edgar M. Morsman Jr. — Signature of officer or trustee | 3/29/17 — Date | President — Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Deb Nelson, CPA	Deb Nelson, CPA	03/24/17		P01264758
Firm's name ▶ Eide Bailly LLP			Firm's EIN ▶ 45-0250958	
Firm's address ▶ 800 Nicollet Mall, Ste. 1300 Minneapolis, MN 55402-7033			Phone no. 612-253-6500	

Form **990-PF** (2016)

623622 11-23-16

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 Land Trust 2356 University Ave W, Ste 240 St. Paul, MN 55114-9924	None	PC	Promotes conservation easements to protect land in Minnesota.	1,100.
Open Door Youth Gang Alternatives 1615 California Suite 712 Denver, CO 80202	None	PC	Works at giving kids an alternative to gang membership.	1,370.
People Serving People 614 3rd Street S. Minneapolis, MN 55415-1104	None	PC	Homeless jobs and shelter program.	1,100.
Platte Forum 2400 Curtis St Denver, CO 80205	None	PC	Introduces underserved children to art and artists.	1,365.
Raptor Education Group, Inc. PO Box 481 Antigo, WI 54409	None	PC	Heals injured birds and provides education.	500.
The Brinton Museum PO BOX 460 Big Horn, WY 82833	None	PC	Art and historical museum.	1,000.
The Children's Hospital Association 5033 Penn Ave S Minneapolis, MN 55419	None	PC	Medical care for children.	1,000.
Wyoming Wilderness Association PO Box 6588 Sheridan, WY 82801	None	PC	Wyoming wilderness preservation, in particular, Rock Creek.	5,000.
Youth Advantage P.O. 11 Stillwater, MN 55082	None	PC	Children's involvement in extracurricular activities.	1,100.
Homeward Bound Dog Rescue PO Box 1056 Monticello, MN 55362	None	pc	Dog adoption and education	1,000.
Total from continuation sheets				17,935.

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 Historical Society of the Town of Bolton PO Box 441 Bolton Landing, NY 12814	None	pc	Historical relics and informaiton for Bolton Landing, NY	700.
Climate Generation 2801 21st Ave. S. Ste. 110 Minneapolis, MN 55407	None	PC	Advocates climate literacy, education and citizen engagement	850.
Loaves and Fishes 1121 Jackson Street NE Ste. 143 Minneapolis, MN 55413	None	PC	Serves hot meals to those in need	850.
Think Small 10 Yorkton Court Saint Paul, MN 55117	None	PC	Advance quality care and education of young children	1,000.
Total from continuation sheets				

Form 990-PF Dividends and Interest from Securities Statement 1

Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Wells Fargo - Dividends and interest	13,836.	0.	13,836.	13,720.	
To Part I, line 4	13,836.	0.	13,836.	13,720.	

Form 990-PF Accounting Fees Statement 2

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Tax Preparation Fees	1,325.	0.		1,325.
To Form 990-PF, Pg 1, ln 16b	1,325.	0.		1,325.

Form 990-PF Other Professional Fees Statement 3

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Wells Fargo Agency Fees	5,732.	5,732.		0.
To Form 990-PF, Pg 1, ln 16c	5,732.	5,732.		0.

Form 990-PF Taxes Statement 4

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Tax	1,854.	0.		0.
Foreign Tax	36.	36.		0.
To Form 990-PF, Pg 1, ln 18	1,890.	36.		0.

Form 990-PF	Other Expenses	Statement 5

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Annual Minnesota Filing Fee	25.	0.		25.
Miscellaneous	80.	80.		0.
To Form 990-PF, Pg 1, ln 23	105.	80.		25.

Form 990-PF	Corporate Stock	Statement 6

Description	Book Value	Fair Market Value
Publicly Traded Securities - See Attached	353,829.	554,519.
Total to Form 990-PF, Part II, line 10b	353,829.	554,519.

Form 990-PF | Part VIII - List of Officers, Directors Trustees and Foundation Managers | Statement 7

Name and Address	Title and Avrg Hrs/Wk	Compen-sation	Employee Ben Plan Contrib	Expense Account
Edgar M. Morsman, Jr. 4011 East Valley Road Deephaven, MN 55391	President/Secretary/Treasurer 0.25	0.	0.	0.
Elizabeth H. Morsman 4011 East Valley Road Deephaven, MN 55391	Vice President 0.25	0.	0.	0.
Jeffrey H. Morsman 4011 East Valley Road Deephaven, MN 55391	Vice President 0.25	0.	0.	0.
Amy S. Morsman 4011 East Valley Road Deephaven, MN 55391	Director 0.25	0.	0.	0.
James C. Morsman 4011 East Valley Road Deephaven, MN 55391	Director 0.25	0.	0.	0.
Angela Peyton Morsman 4011 East Valley Road Deephaven, MN 55391	Director 0.25	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		0.	0.	0.

Form 990-PF | Part XV - Line 1a List of Foundation Managers | Statement 8

Name of Manager

Edgar M. Morsman, Jr.
Elizabeth H. Morsman

Form 990-PF Dividends and Interest from Securities Statement 1

Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Wells Fargo - Dividends and interest	13,836.	0.	13,836.	13,720.	
To Part I, line 4	13,836.	0.	13,836.	13,720.	

Form 990-PF Accounting Fees Statement 2

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Tax Preparation Fees	1,325.	0.		1,325.
To Form 990-PF, Pg 1, ln 16b	1,325.	0.		1,325.

Form 990-PF Other Professional Fees Statement 3

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Wells Fargo Agency Fees	5,732.	5,732.		0.
To Form 990-PF, Pg 1, ln 16c	5,732.	5,732.		0.

Form 990-PF Taxes Statement 4

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Tax	1,854.	0.		0.
Foreign Tax	36.	36.		0.
To Form 990-PF, Pg 1, ln 18	1,890.	36.		0.

Form 990-PF Other Expenses Statement 5

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Annual Minnesota Filing Fee	25.	0.		25.
Miscellaneous	80.	80.		0.
To Form 990-PF, Pg 1, ln 23	105.	80.		25.

Form 990-PF Corporate Stock Statement 6

Description	Book Value	Fair Market Value
Publicly Traded Securities - See Attached	353,829.	554,519.
Total to Form 990-PF, Part II, line 10b	353,829.	554,519.

Form 990-PF Part VIII - List of Officers, Directors Trustees and Foundation Managers Statement 7

Name and Address	Title and Avrg Hrs/Wk	Compen-sation	Employee Ben Plan Contrib	Expense Account
Edgar M. Morsman, Jr. 4011 East Valley Road Deephaven, MN 55391	President/Secretary/Treasurer 0.25	0.	0.	0.
Elizabeth H. Morsman 4011 East Valley Road Deephaven, MN 55391	Vice President 0.25	0.	0.	0.
Jeffrey H. Morsman 4011 East Valley Road Deephaven, MN 55391	Vice President 0.25	0.	0.	0.
Amy S. Morsman 4011 East Valley Road Deephaven, MN 55391	Director 0.25	0.	0.	0.
James C. Morsman 4011 East Valley Road Deephaven, MN 55391	Director 0.25	0.	0.	0.
Angela Peyton Morsman 4011 East Valley Road Deephaven, MN 55391	Director 0.25	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		0.	0.	0.

Form 990-PF Part XV - Line 1a List of Foundation Managers Statement 8

Name of Manager

Edgar M. Morsman, Jr.
Elizabeth H. Morsman

Additional information

	THIS PERIOD	THIS YEAR		THIS PERIOD	THIS YEAR
Gross proceeds	51.70	40,196.25	Foreign withholding	0.00	-35.76

Portfolio detail

Cash and Sweep Balances

Sweep Balances - You have the right, in the course of normal business operations, to withdraw balances in the Bank Deposit Sweep or redeem shares of the money market mutual fund used in the sweep, subject to any open commitments in any of your accounts and have the proceeds returned to your accounts or remitted to you. Note, however, that as required by federal banking regulations, the banks in the Bank Deposit Sweep reserve the right to require seven days prior notice before permitting a transfer out of the Bank Deposit Sweep In addition, the money market mutual funds in the sweep reserve the right to require one or more day's prior notice before permitting withdrawals.

Bank Deposit Sweep - Consists of monies held at Wells Fargo Bank, N.A. and (if amounts exceed $250,000) at one or more other Wells Fargo affiliated banks. These assets are not covered by SIPC; but are instead eligible for FDIC Insurance of up to $250,000 per depositor, per institution, in accordance with FDIC rules. For additional information on the Bank Deposit Sweep for your account, please contact Your Financial Advisor.

DESCRIPTION	% OF ACCOUNT	ANNUAL PERCENTAGE YIELD EARNED*	CURRENT MARKET VALUE	ESTIMATED ANNUAL INCOME
Cash	0 02	0 00	93 48	0.00
BANK DEPOSIT SWEEP	0.96	0.01	5,366.41	0.53
Interest Period 12/01/16 - 12/31/16				
Total Cash and Sweep Balances	**0.98**		**$5,459.89**	**$0.53**

* APYE measures the total amount of the interest paid on an account based on the interest rate and the frequency of the compounding during the interest period. The annual percentage yield earned is expressed as an annualized rate, based on a 365 day year

Stocks, options & ETFs

Stocks and ETFs

This section may include foreign equity securities that may be denominated in currencies other than US dollars. The amounts, annual income and annual yield on your statement for such securities will be estimated based on prevailing exchange rates and the amount does not necessarily reflect the rate you will receive if converted to US dollars The "Quantity" field reflects total shares held, regardless of the currency in which your shares are denominated. Please contact Your Financial Advisor if you have additional questions regarding your foreign security holdings.

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
ABBOTT LABORATORIES ABT Acquired 10/01/13 L	0.91	133	33.62	4,472.26	38.4100	5,108.53	636.27	140.98	2.75

MORSMAN FAMILY FOUNDATON

DECEMBER 1, 2016 - DECEMBER 31, 2016
ACCOUNT NUMBER.

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
ACCENTURE PLC IRELAND SHARES CLASS A ACN									
Acquired 04/16/10 L nc	1.36	65	43.11	2,802 62	117.1300	7,613.45	4,810.83	157.30	2.06
AFLAC INC AFL									
Acquired 04/16/10 L nc		86	54.45	4,682.70		5,985.60	1,302 90		
Acquired 05/18/11 L		15	50 22	753 30		1,044 00	290 70		
Total	**1.28**	**101**	**$53.82**	**$5,436.00**	**69.6000**	**$7,029.60**	**$1,593.60**	**$173.72**	**2.47**
AIR PRODUCTS & CHEMICALS INC APD									
Acquired 04/16/10 L nc	1.08	42	69 68	2,926.57	143.8200	6,040.44	3,113.87	144 48	2.39
AMERICAN TOWER CORP REIT AMT									
Acquired 10/01/13 L	1.53	81	74.12	6,004.33	105.6800	8,560 08	2,555.75	187.92	2.19
AMERISOURCEBERGEN CORP ABC									
Acquired 11/10/15 L	0.91	65	98 21	6,383.65	78 1900	5,082.35	-1,301 30	94 90	1 86
AMGEN INC AMGN									
Acquired 10/26/15 L	0 84	32	156.97	5,023.36	146.2100	4,678.72	-344.64	147.20	3.14
ANALOG DEVICES INC ADI									
Acquired 04/16/10 L nc	1.21	93	30.53	2,839.29	72.6200	6,753.66	3,914.37	156.24	2.31
APTARGROUP INC ATR									
Acquired 04/16/10 L nc	1.15	88	42.48	3,739.06	73 4500	6,463 60	2,724.54	112.64	1.74
AT & T INC T									
Acquired 04/16/10 L nc		84	25.97	2,181.48		3,572.52	1,391 04		
Acquired 04/19/10 L nc		77	26.19	2,016.63		3,274 81	1,258.18		
Acquired 05/26/10 L nc		13	24.35	316.55		552.89	236 34		
Acquired 09/17/14 L		57	35.00	1,995.00		2,424 21	429.21		
Total	**1.75**	**231**	**$28.18**	**$6,509.66**	**42.5300**	**$9,824.43**	**$3,314.77**	**$452.76**	**4.61**

MORSMAN FAMILY FOUNDATON

DECEMBER 1, 2016 - DECEMBER 31, 2016
ACCOUNT NUMBER

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
AUTOMATIC DATA PROCESSING ADP									
Acquired 04/16/10 L nc	1.16	63	38.69	2,437.97	102.7800	6,475.14	4,037.17	143.64	2.21
BECTON DICKINSON & CO BDX									
Acquired 05/20/08 L nc		46	83.98	3,863.08		7,815 30	3,752.22		
Acquired 04/16/10 L nc		10	77.90	779.00		1,655.50	876.50		
Acquired 05/26/10 L nc		5	71.68	358.40		827.75	469.35		
Total	**1.80**	**61**	**$81.98**	**$5,000.48**	**165.5500**	**$10,098.55**	**$5,098.07**	**$178.12**	**1.76**
BLACKROCK INC BLK									
Acquired 03/02/15 L	1.09	16	374.70	5,995.22	380.5400	6,088.64	93.42	146.56	2.40
BROADRIDGE FINANCIAL SOLUTIONS BR									
Acquired 01/15/16 S	1.20	101	49.70	5,019.74	66.3000	6,696.30	1,676.56	133.32	1.99
BROWN AND BROWN INC COM BRO									
Acquired 04/16/10 L nc	1.65	206	18.66	3,845.99	44.8600	9,241.16	5,395.17	111.24	1.20
BROWN-FORMAN CORP CL B BF/B									
Acquired 04/16/10 L nc	0.90	112	19.63	2,198.99	44.9200	5,031.04	2,832.05	81.76	1.62
CATERPILLAR INC CAT									
Acquired 02/20/15 L	0.99	60	83.17	4,990.20	92 7400	5,564 40	574 20	184.80	3.32
CHUBB LTD CB									
Acquired 10/28/16 S	1.68	71	126 91	9,010.61	132.1200	9,380.52	369 91	195.96	2.08
CISCO SYSTEMS INC CSCO									
Acquired 12/16/13 L	1.82	338	20 72	7,003 36	30.2200	10,214 36	3,211 00	351.52	3.44
CLOROX COMPANY CLX									
Acquired 04/16/10 L nc		48	64.44	3,093 12		5,760.96	2,667.84		
Acquired 05/18/11 L		3	70.20	210.60		360.06	149.46		

ADVI

MORSMAN FAMILY FOUNDATON

DECEMBER 1, 2016 - DECEMBER 31, 2016
ACCOUNT NUMBER.

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
Total	**1.09**	**51**	**$64.78**	**$3,303.72**	**120.0200**	**$6,121.02**	**$2,817.30**	**$163.20**	**2.67**
COLGATE-PALMOLIVE CO CL									
Acquired 04/16/10 L nc		84	42 07	3,534.30		5,496.96	1,962.66		
Acquired 05/18/11 L		12	42.93	515.16		785.28	270 12		
Total	**1.12**	**96**	**$42.18**	**$4,049.46**	**65.4400**	**$6,282.24**	**$2,232.78**	**$149.76**	**2.38**
COMCAST CORP NEW CL A CMCSA									
Acquired 10/26/15 L	0.99	80	62 23	4,979.04	69.0500	5,524 00	544.96	88.00	1.59
COMMERCE BANCSHARES INC CBSH									
Acquired 04/16/10 L nc		158 45236	27 51	4,709.51		9,160.13	4,450.62		
Acquired 05/18/11 L		6 54764	39.11	215.35		378.52	163.17		
Total	**1.70**	**165**	**$29.85**	**$4,924.86**	**57.8100**	**$9,538.65**	**$4,613.79**	**$148.50**	**1.56**
COSTCO WHSL CORP NEW COM COST									
Acquired 04/09/09 L nc		41	46 84	1,920 44		6,564 51	4,644.07		
Acquired 04/16/10 L nc		4	59.34	237.36		640 44	403.08		
Acquired 10/08/14 L		8	128 20	1,025.60		1,280 88	255.28		
Total	**1.52**	**53**	**$60.06**	**$3,183.40**	**160.1100**	**$8,485.83**	**$5,302.43**	**$95.40**	**1.12**
CVS HEALTH CORPORATION CVS									
Acquired 03/31/15 L	0.82	58	103.89	6,025 62	78.9100	4,576 78	-1,448 84	116 00	2.53
DISNEY WALT COMPANY DIS									
Acquired 10/26/15 L	0 82	44	112.94	4,969 80	104 2200	4,585 68	-384.12	68.64	1.49
EATON VANCE CORP NON VTG EV									
Acquired 04/16/10 L nc		90	34 69	3,122.82		3,769 20	646 38		
Acquired 05/18/11 L		32	32.00	1,024 00		1,340.16	316.16		
Total	**0.91**	**122**	**$33.99**	**$4,146.82**	**41.8800**	**$5,109.36**	**$962.54**	**$136.64**	**2.67**
ECOLAB INC ECL									
Acquired 04/16/10 L nc	1.40	67	45.20	3,028.89	117.2200	7,853.74	4,824.85	99.16	1.26

MORSMAN FAMILY FOUNDATON

DECEMBER 1, 2016 - DECEMBER 31, 2016
ACCOUNT NUMBER:

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
EDISON INTL EIX									
Acquired 03/04/15 L	1.02	79	63.43	5,010.97	71.9900	5,687.21	676.24	171.43	3.01
EMERSON ELECTRIC CO EMR									
Acquired 04/16/10 L nc		91	51.78	4,711.98		5,073 25	361.27		
Acquired 05/18/11 L		10	53 93	539 30		557.50	18 20		
Acquired 09/17/14 L		16	64.75	1,036.00		892.00	-144.00		
Acquired 10/08/14 L		17	61.16	1,039.72		947.75	-91.97		
Total	**1.33**	**134**	**$54.68**	**$7,327.00**	**55.7500**	**$7,470.50**	**$143.50**	**$257.28**	**3.44**
EVERSOURCE ENERGY ES									
Acquired 04/16/10 L nc	1.08	110	27.44	3,019 27	55 2300	6,075.30	3,056.03	195.80	3.22
EXXON MOBIL CORP XOM									
Acquired 07/03/01 L nc	1 06	66	43.59	2,876 94	90.2600	5,957.16	3,080 22	198.00	3.32
FACTSET RESEARCH SYSTEMS INC FDS									
Acquired 04/16/10 L nc	1 28	44	74.86	3,293.84	163.4300	7,190 92	3,897.08	88.00	1.22
FEDERAL RLTY INVT TR SBI REIT FRT									
Acquired 10/28/16 S	1.57	62	144 58	8,964.57	142.1100	8,810 82	-153.75	243 04	2.75
GENERAL MILLS INC GIS									
Acquired 02/14/02 L nc	1 28	116	23 29	2,702.22	61 7700	7,165.32	4,463 10	222 72	3 10
GENL DYNAMICS CORP GD									
Acquired 04/16/10 L nc		36	76 00	2,736.00		6,215.76	3,479.76		
Acquired 05/18/11 L		11	74 02	814.22		1,899 26	1,085.04		
Total	**1.45**	**47**	**$75.54**	**$3,550.22**	**172.6600**	**$8,115.02**	**$4,564.80**	**$142.88**	**1.76**
GRAINGER W W INC GWW									
Acquired 04/16/10 L nc	1 29	31	105.08	3,257.48	232.2500	7,199.75	3,942.27	151.28	2.10

MORSMAN FAMILY FOUNDATON

DECEMBER 1, 2016 - DECEMBER 31, 2016
ACCOUNT NUMBER:

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
HARRIS CORP DEL HRS									
Acquired 04/16/10 L nc		45	49.36	2,221 20		4,611.15	2,389 95		
Acquired 05/18/11 L		15	48 93	733.95		1,537.05	803.10		
Total	**1.10**	**60**	**$49.25**	**$2,955.15**	**102.4700**	**$6,148.20**	**$3,193.05**	**$127.20**	**2.07**
ILLINOIS TOOL WORKS INC ITW									
Acquired 04/16/10 L nc		53	48.96	2,594.88		6,490 38	3,895 50		
Acquired 05/26/10 L nc		6	45 89	275.34		734 76	459 42		
Total	**1.29**	**59**	**$48.65**	**$2,870.22**	**122.4600**	**$7,225.14**	**$4,354.92**	**$153.40**	**2.12**
INTERNATIONAL BUSINESS MACHINE CORP IBM									
Acquired 04/16/10 L nc	0 95	32	130 86	4,187.52	165.9900	5,311.68	1,124 16	179.20	3.37
J M SMUCKER CO SJM									
Acquired 04/16/10 L nc	1.62	71	62.02	4,403.42	128.0600	9,092.26	4,688 84	213.00	2 34
JACK HENRY & ASSOC INC JKHY									
Acquired 04/16/10 L nc	1.16	73	24 89	1,817 68	88.7800	6,480 94	4,663.26	81.76	1.26
JOHNSON & JOHNSON JNJ									
Acquired 07/03/01 L nc		23	51 05	1,174.15		2,649 83	1,475.68		
Acquired 12/01/03 L nc		50	49.55	2,477 50		5,760 50	3,283 00		
Acquired 05/18/11 L		8	66 38	531.04		921.68	390.64		
Total	**1.67**	**81**	**$51.64**	**$4,182.69**	**115.2100**	**$9,332.01**	**$5,149.32**	**$259.20**	**2.78**
KELLOGG COMPANY K									
Acquired 04/16/10 L nc		87	53.89	4,688 43		6,412.77	1,724.34		
Acquired 05/18/11 L		7	57.23	400.61		515.97	115.36		
Total	**1.24**	**94**	**$54.14**	**$5,089.04**	**73.7100**	**$6,928.74**	**$1,839.70**	**$195.52**	**2.82**
KIMBERLY-CLARK CORP KMB									
Acquired 04/16/10 L nc		43	59.35	2,552 37		4,907 16	2,354.79		
Acquired 05/18/11 L		2	65.43	130.88		228 24	97 36		
Total	**0.92**	**45**	**$59.63**	**$2,683.25**	**114.1200**	**$5,135.40**	**$2,452.15**	**$165.60**	**3.22**

MORSMAN FAMILY FOUNDATON

DECEMBER 1, 2016 - DECEMBER 31. 2016
ACCOUNT NUMBER:

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
LOWES COMPANIES INC LOW Acquired 09/18/12 L	1.10	87	29 18	2,539 24	71 1200	6,187.44	3,648.20	121.80	1 96
MC CORMICK & CO INC NON VTG MKC Acquired 04/16/10 L nc	0 87	52	38.54	2,004.45	93.3300	4,853.16	2,848.71	97.76	2.01
MCDONALDS CORP MCD Acquired 04/16/10 L nc	1.24	57	68.80	3,921.60	121.7200	6,938 04	3,016 44	214.32	3.08
MEDTRONIC PLC MDT Acquired 11/10/15 L	1.06	83	76.35	6,337.05	71 2300	5,912.09	-424.96	142 76	2.41
MICROSOFT CORP MSFT Acquired 01/11/12 L	1.51	136	27.88	3,791.68	62.1400	8,451 04	4,659.36	212.16	2.51
NATIONAL FUEL GAS CO NFG Acquired 04/16/10 L nc	0.80	79	52 62	4,156.98	56.6400	4,474.56	317.58	127.98	2.86
NEW JERSEY RES CORP NJR Acquired 04/19/10 L nc	1.28	202	18 64	3,766.28	35.5000	7,171 00	3,404.72	206.04	2.87
NEXTERA ENERGY INC NEE Acquired 04/16/10 L nc	1.30	61	48.41	2,953 01	119.4600	7,287 06	4,334.05	212.28	2.91
NIKE INC CLASS B NKE Acquired 03/02/15 L	1.11	122	49.29	6,013 38	50.8300	6,201.26	187 88	87.84	1.41
NOVARTIS AG SPON ADR NVS									
Acquired 10/16/07 L nc		60	53 10	3,186 43		4,370.40	1,183.97		
Acquired 05/26/10 L nc		17	44.28	752.76		1,238.28	485.52		
Acquired 10/08/14 L		11	88.99	978.89		801.24	-177 65		
Total	**1.14**	**88**	**$55.89**	**$4,918.08**	**72.8400**	**$6,409.92**	**$1,491.84**	**$202.66**	**3.16**

MORSMAN FAMILY FOUNDATON

DECEMBER 1, 2016 - DECEMBER 31. 2016
ACCOUNT NUMBER:

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
P P G INDUSTRIES INC PPG									
Acquired 06/29/16 S	0 83	49	102.37	5,016.38	94.7600	4,643.24	-373.14	78.40	1 68
PAYCHEX INC PAYX									
Acquired 04/16/10 L nc		104	30.82	3,205 80		6,331.52	3,125.72		
Acquired 05/18/11 L		15	31 95	479 25		913.20	433 95		
Total	**1.29**	**119**	**$30.97**	**$3,685.05**	**60.8800**	**$7,244.72**	**$3,559.67**	**$218.96**	**3.02**
PEPSICO INCORPORATED PEP									
Acquired 07/03/01 L nc		72	45.25	3,258 00		7,533.36	4,275.36		
Acquired 05/18/11 L		3	71 01	213 03		313.89	100 86		
Total	**1.40**	**75**	**$46.28**	**$3,471.03**	**104.6300**	**$7,847.25**	**$4,376.22**	**$225.75**	**2.88**
PHILLIPS 66 PSX									
Acquired 04/16/10 L nc		19.50000	25.75	502.14		1,685.00	1,182 86		
Acquired 05/26/10 L nc		4.50000	23.10	103 98		388.84	284.86		
Acquired 10/01/13 L		50	57.97	2,899.00		4,320.50	1,421.50		
Total	**1.14**	**74**	**$47.37**	**$3,505.12**	**86.4100**	**$6,394.34**	**$2,889.22**	**$186.48**	**2.92**
POLARIS INDS INC PII									
Acquired 04/16/10 L nc	0.88	60	28 07	1,684.49	82 3900	4,943.40	3,258 91	132 00	2 67
PRAXAIR INC PX									
Acquired 04/16/10 L nc	1 07	51	87.01	4,437 51	117.1900	5,976 69	1,539 18	153 00	2.55
PROCTER & GAMBLE CO PG									
Acquired 03/07/05 L nc		75	53 89	4,041 75		6,306 00	2,264.25		
Acquired 05/18/11 L		5	67 44	337 20		420.40	83.20		
Acquired 10/08/14 L		12	83.42	1,001.04		1,008.96	7.92		
Total	**1.38**	**92**	**$58.48**	**$5,379.99**	**84.0800**	**$7,735.36**	**$2,355.37**	**$246.37**	**3.18**
QUALCOMM INC QCOM									
Acquired 03/31/14 L		76	79.45	6,038.20		4,955.20	-1,083 00		
Acquired 09/17/14 L		26	75.66	1,967 16		1,695.20	-271.96		

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Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
Acquired 10/08/14 L		13	73.44	954 72		847.60	-107.12		
Total	**1.34**	**115**	**$77.91**	**$8,960.08**	**65.2000**	**$7,498.00**	**-$1,462.08**	**$243.80**	**3.25**
REALTY INCOME CORP REIT O									
Acquired 04/16/10 L nc	0.86	84	28.71 31.72	2,411.93 2,665.31	57.4800	4,828.32	2,416.39	204.12	4.22
SCANA CORP COM SCG									
Acquired 04/16/10 L nc		104	38.69	4,024.78		7,621.12	3,596.34		
Acquired 05/18/11 L		6	41.68	250.08		439.68	189.60		
Total	**1.44**	**110**	**$38.86**	**$4,274.86**	**73.2800**	**$8,060.80**	**$3,785.94**	**$253.00**	**3.14**
SCHLUMBERGER LTD SLB									
Acquired 02/20/15 L	1.02	68	86 63	5,890.84	83.9500	5,708.60	-182.24	136.00	2 38
SOUTH JERSEY IND INC SJI									
Acquired 04/19/10 L nc	1 18	196	21 14	4,144.32	33.6900	6,603.24	2,458.92	213.64	3.23
SOUTHERN COMPANY/THE SO									
Acquired 11/14/11 L	0.96	109	43 57	4,749.76	49.1900	5,361 71	611 95	244.16	4.55
STRYKER CORP SYK									
Acquired 04/27/12 L	1.71	80	54.43	4,354.83	119.8100	9,584.80	5,229.97	136 00	1.41
SYSCO CORPORATION SYY									
Acquired 04/16/10 L nc		104	29 61	3,080.46		5,758.48	2,678.02		
Acquired 05/18/11 L		7	32 49	227.43		387.59	160.16		
Total	**1.10**	**111**	**$29.80**	**$3,307.89**	**55.3700**	**$6,146.07**	**$2,838.18**	**$148.52**	**2.38**
T ROWE PRICE GROUP INC TROW									
Acquired 06/29/16 S	0 94	70	71 02	4,971.40	75 2600	5,268.20	296.80	151.20	2.87
TARGET CORP TGT									
Acquired 07/03/01 L nc		45	35.86	1,613.70		3,250.35	1,636.65		
Acquired 05/18/11 L		21	49.31	1,035.51		1,516.83	481.32		

MORSMAN FAMILY FOUNDATON

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Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
Total	**0.85**	**66**	**$40.14**	**$2,649.21**	**72.2300**	**$4,767.18**	**$2,117.97**	**$158.40**	**3.32**
TJX COS INC NEW TJX Acquired 06/18/14 L	1.34	100	55 10	5,510.52	75.1300	7,513.00	2,002.48	104.00	1.38
UNITED PARCEL SERVICE-B UPS Acquired 04/16/10 L nc		69	68 46	4,723 74		7,910 16	3,186 42		
Acquired 05/18/11 L		4	73 59	294 36		458.56	164.20		
Total	**1.49**	**73**	**$68.74**	**$5,018.10**	**114.6400**	**$8,368.72**	**$3,350.62**	**$227.76**	**2.72**
UNITED TECHNOLOGIES CORP UTX Acquired 01/09/02 L nc		45	33 03	1,486 57		4,932 90	3,446.33		
Acquired 09/17/14 L		9	108.66	977.94		986.58	8 64		
Acquired 10/08/14 L		20	101 70	2,034 00		2,192 40	158 40		
Total	**1.45**	**74**	**$60.79**	**$4,498.51**	**109.6200**	**$8,111.88**	**$3,613.37**	**$195.36**	**2.41**
V F CORPORATION VFC Acquired 04/16/10 L nc	1.33	140	20.68	2,895.90	53 3500	7,469 00	4,573 10	235.20	3.14
VERIZON COMMUNICATIONS COM VZ Acquired 03/12/14 L	1.65	173	46.36	8,021.15	53 3800	9,234.74	1,213.59	399.63	4.32
WAL-MART STORES INC WMT Acquired 04/16/10 L nc		73	54.41	3,971 93		5,045.76	1,073 83		
Acquired 05/18/11 L		10	55.05	550 50		691.20	140.70		
Total	**1.02**	**83**	**$54.49**	**$4,522.43**	**69.1200**	**$5,736.96**	**$1,214.53**	**$166.00**	**2.89**
WEC ENERGY GROUP INC WEC Acquired 02/10/12 L	1.10	105	34 30	3,601.50	58.6500	6,158.25	2,556.75	218.40	3.54
XCEL ENERGY INC XEL Acquired 03/04/15 L	1.05	145	34 55	5,010.43	40.7000	5,901 50	891 07	197 20	3.34

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Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
3M CO MMM Acquired 10/16/01 L nc	1 82	57	52 83	3,011 59	178 5700	10,178 49	7,166.90	253 08	2.48
Total Stocks and ETFs	**99.02**			**$353,829.02** **$354,082.40**		**$554,518.67**	**$200,689.65**	**$14,155.70**	**2.55**
Total Stocks, options & ETFs	**99.02**			**$353,829.02**		**$554,518.67**	**$200,689.65**	**$14,155.70**	**2.55**

nc Cost information for this tax lot is not covered by IRS reporting requirements. Unless indicated, cost for all other lots will be reported to the IRS,

Activity detail by date

DATE	ACCOUNT TYPE	TRANSACTION/ CHECK NUMBER	QUANTITY	DESCRIPTION	PRICE	AMOUNT	CASH AND SWEEP BALANCES
12/01				BEGINNING BALANCE			3,850.83
12/01	Cash	DIVIDEND		AFLAC INC 120116 101		43.43	
12/01	Cash	DIVIDEND		GRAINGER W W INC 120116 31		37.82	
12/01	Cash	DIVIDEND		J M SMUCKER CO 120116 71		53.25	
12/01	Cash	DIVIDEND		PHILLIPS 66 120116 74		46.62	
12/01	Cash	DIVIDEND		TJX COS INC NEW 120116 100		26.00	
12/01	Cash	DIVIDEND		WEC ENERGY GROUP INC 120116 105		51.98	4,109.93
12/05	Cash	DIVIDEND		AMERISOURCEBERGEN CORP 120516 65		23.73	4,133.66
12/06	Cash	DIVIDEND		HARRIS CORP DEL 120616 60		31.80	
12/06	Cash	DIVIDEND		JOHNSON & JOHNSON 120616 81		64.80	
12/06	Cash	DIVIDEND		SOUTHERN COMPANY/THE 120616 109		61.04	4,291.30