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		A Employer identification number
Frels Family Foundation		45-5629574
Number and street (or P O box number if mail is not delivered to street address): 8 Black Lake Road	Room/suite	B Telephone number: 651-224-8478
City or town, state or province, country, and ZIP or foreign postal code: North Oaks, MN 55127		C If exemption application is pending, check here ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☒ Address change ☐ Name 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)* ▶$ 5,402,124.

J Accounting method: ☒ 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	96,280.		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	146,868.	145,241.		Statement 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	4,735.			
	b Gross sales price for all assets on line 6a 850,017.				
	7 Capital gain net income (from Part IV, line 2)		4,735.		
	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	<5,768.>	<5,768.>		Statement 2
	12 **Total** Add lines 1 through 11	242,115.	144,208.		
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 3	1,075.	1,075.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes Stmt 4	6,121.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses Stmt 5	171.	171.		0.
	24 **Total operating and administrative expenses** Add lines 13 through 23	7,367.	1,246.		0.
	25 Contributions, gifts, grants paid	260,000.			260,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	267,367.	1,246.		260,000.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<25,252.>			
	b **Net investment income** (if negative, enter -0-)		142,962.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	688,130.	946,492.	946,492.
	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 8	2,630,238.	2,885,667.	3,082,533.
	c Investments - corporate bonds Stmt 9	1,977,442.	1,317,430.	1,351,229.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other Stmt 10	0.	41,497.	20,310.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ Statement 11)	1,360.	1,560.	1,560.
	16 **Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	5,297,170.	5,192,646.	5,402,124.
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	952,595.	952,595.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	4,344,575.	4,240,051.	
	30 **Total net assets or fund balances**	5,297,170.	5,192,646.	
	31 **Total liabilities and net assets/fund balances**	5,297,170.	5,192,646.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	5,297,170.
2	Enter amount from Part I, line 27a	2	<25,252.>
3	Other increases not included in line 2 (itemize) ▶ See Statement 6	3	293.
4	Add lines 1, 2, and 3	4	5,272,211.
5	Decreases not included in line 2 (itemize) ▶ See Statement 7	5	79,565.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	5,192,646.

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	850,017.		845,282.	4,735.

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				4,735.

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 — 4,735.

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	210,000.	4,196,472.	.050042
2014	140,000.	2,778,737.	.050383
2013	80,055.	1,535,148.	.052148
2012	50,500.	989,721.	.051024
2011			

2	**Total** of line 1, column (d)	2	.203597
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	.050899
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	5,148,757.
5	Multiply line 4 by line 3	5	262,067.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,430.
7	Add lines 5 and 6	7	263,497.
8	Enter qualifying distributions from Part XII, line 4	8	260,000.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	2,859.
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	2,859.
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	2,859.
6	Credits/Payments:			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a 1,560.		
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	1,560.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached		8	27.
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	1,326.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	
11	Enter the amount of line 10 to be: **Credited to 2017 estimated tax** ▶	Refunded ▶	11	

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)? *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.*	1b		X
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 ▶ William B. Frels Telephone no. ▶ 651-483-8763

Located at ▶ 8 Black Lake Road, North Oaks, MN ZIP+4 ▶ 55127

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

		Line	Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? 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 [X] 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 [X] No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	[ ] Yes [X] No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)	[ ] Yes [X] 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 [X] 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 [X] 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 [X] 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
William B. Frels 8 Black Lake Road North Oaks, MN 55127	President 0.00	0.	0.	0.
Bonita M. Frels 8 Black Lake Road North Oaks, MN 55127	Vice President 0.00	0.	0.	0.
Randall W. Frels 7235 Hidden Hollow court Moundsview, MN 55112	Secretary 0.00	0.	0.	0.
Blake J. Frels 1320 Oakcrest Avenue Roseville, MN 55113	Treasurer 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

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 All activites consist of grants to other existing 501(c)(3) organizations.	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 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	5,227,164.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	5,227,164.
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	5,227,164.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	78,407.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,148,757.
6	**Minimum investment return.** Enter 5% of line 5	6	257,438.

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	257,438.
2a	Tax on investment income for 2016 from Part VI, line 5 — 2a: 2,859.		
b	Income tax for 2016. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	2,859.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	254,579.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	254,579.
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	254,579.

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	260,000.
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	260,000.
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	0.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	260,000.

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				254,579.
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 1,076.				
c From 2013 3,864.				
d From 2014 2,408.				
e From 2015 6,385.				
f **Total** of lines 3a through e	13,733.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ $ 260,000.				
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				254,579.
e Remaining amount distributed out of corpus	5,421.			
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	19,154.			
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	19,154.			
10 Analysis of line 9:				
a Excess from 2012 1,076.				
b Excess from 2013 3,864.				
c Excess from 2014 2,408.				
d Excess from 2015 6,385.				
e Excess from 2016 5,421.				

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).)

None

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

None

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

Check here ▶ [X] 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				
Lifetrack 709 University Avenue West St. Paul, MN 55104	None	Public Charity	Operating Support	5,000.
Helping Paws PO Box 634 Hopkins, MN 55343	None	Public Charity	Operating Support	5,000.
Immaculate Conception Catholic School 4053 Quincy St. NE Columbia Heights, MN 55421	None	Public Charity	Operating Support	10,000.
Catholic Service Appeal 12805 Hwy 55 #210 Plymouth, MN 55441	None	Public Charity	Operating Support	10,000.
Minnesota Independent School Forum 445 Minnesota Street #505 St. Paul, MN 55101	None	Public Charity	Operating Support	10,000.
Total See continuation sheet(s)			▶ 3a	260,000.
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) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	146,868.	
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					<5,768.>
8 Gain or (loss) from sales of assets other than inventory					4,735.
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.		146,868.	<1,033.>

13 **Total.** Add line 12, columns (b), (d), and (e) 13 145,835.

(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)
	The Foundation's exempt purpose is to hold assets productively for distribution to other existing 501(c)(3) organizations. All income is related to that purpose.

623621 11-23-16

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

William B Frels | 5-15-17 | President

Signature of officer or trustee | Date | 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
Michelle Schmidt	Michelle Schmidt	5/9/17		P00020017
Firm's name ▶ Michelle K. Schmidt, E.A.			Firm's EIN ▶	
Firm's address ▶ 3665 84th Street East Inver Grove Heights, MN 55076			Phone no. 612-977-8130	

Schedule B (Form 990, 990-EZ, or 990-PF) Department of the Treasury Internal Revenue Service	**Schedule of Contributors** ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF. ▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at *www.irs.gov/form990* .	OMB No 1545-0047 **2016**

Name of the organization	Employer identification number
Frels Family Foundation	45-5629574

Organization type (check one)

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor. Complete Parts I and II See instructions for determining a contributor's total contributions

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc , purposes, but no such contributions totaled more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc , contributions totaling $5,000 or more during the year ▶ $ ________

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization	Employer identification number
Frels Family Foundation	45-5629574

Part I **Contributors** (See instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	William B. Frels 8 Black Lake Road North Oaks, MN 55127	$ 96,280.	Person [ ] Payroll [ ] Noncash [X] (Complete Part II for noncash contributions)
2		$	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)

Name of organization	Employer identification number
Frels Family Foundation	45-5629574

Part II **Noncash Property** (See instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
1	1000 shares G & K Services Inc. common stock with a cost basis of $20,560.	$ 96,280.	11/22/16

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

Name of organization

Frels Family Foundation

Employer identification number

45-5629574

Part III *Exclusively* religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry For organizations completing Part III, enter the total of exclusively religious, charitable, etc , contributions of $1,000 or less for the year (Enter this info once) ▶ $

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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
Charles Schwab-accrued interest paid	<580.>	0.	<580.>	<580.>	
Charles Schwab-dividends	81,118.	0.	81,118.	81,118.	
Charles Schwab-interest	64,689.	0.	64,689.	64,689.	
Charles Schwab-non dividend distributions	1,627.	0.	1,627.	0.	
Ferrell Gas	14.	0.	14.	14.	
To Part I, line 4	146,868.	0.	146,868.	145,241.	

Form 990-PF	Other Income	Statement 2

Description	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Ferrell Gas LP-net investment income	<5,768.>	<5,768.>	
Total to Form 990-PF, Part I, line 11	<5,768.>	<5,768.>	

Form 990-PF	Accounting Fees	Statement 3

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Michelle K. Schmidt, E.A.	1,075.	1,075.		0.
To Form 990-PF, Pg 1, ln 16b	1,075.	1,075.		0.

Form 990-PF — Taxes — Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Foreign tax withheld	1,272.	0.		0.
2015 excise tax	4,849.	0.		0.
To Form 990-PF, Pg 1, ln 18	6,121.	0.		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
Filing fee - MN	25.	25.		0.
Royal Dutch ADR-investment fees	138.	138.		0.
Ferrell Gas LP	8.	8.		0.
To Form 990-PF, Pg 1, ln 23	171.	171.		0.

Form 990-PF — Other Increases in Net Assets or Fund Balances — Statement 6

Description	Amount
Federal bond basis adjustment per broker	293.
Total to Form 990-PF, Part III, line 3	293.

Form 990-PF — Other Decreases in Net Assets or Fund Balances — Statement 7

Description	Amount
To adjust contribution value of G & K Services to cost basis	75,720.
Medtronic non-dividend adjustments	3,845.
Total to Form 990-PF, Part III, line 5	79,565.

Form 990-PF	Corporate Stock	Statement 8

Description	Book Value	Fair Market Value
Equities	2,885,667.	3,082,533.
Total to Form 990-PF, Part II, line 10b	2,885,667.	3,082,533.

Form 990-PF	Corporate Bonds	Statement 9

Description	Book Value	Fair Market Value
Fixed Income	483,838.	472,448.
Corporate Bonds	833,592.	878,781.
Total to Form 990-PF, Part II, line 10c	1,317,430.	1,351,229.

Form 990-PF	Other Investments	Statement 10

Description	Valuation Method	Book Value	Fair Market Value
Ferrell Gas LP	COST	41,497.	20,310.
Total to Form 990-PF, Part II, line 13		41,497.	20,310.

Form 990-PF	Other Assets	Statement 11

Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
2016 Estimated tax payments	1,360.	1,560.	1,560.
To Form 990-PF, Part II, line 15	1,360.	1,560.	1,560.

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
Charles Schwab-accrued interest paid	<580.>	0.	<580.>	<580.>	
Charles Schwab-dividends	81,118.	0.	81,118.	81,118.	
Charles Schwab-interest	64,689.	0.	64,689.	64,689.	
Charles Schwab-non dividend distributions	1,627.	0.	1,627.	0.	
Ferrell Gas	14.	0.	14.	14.	
To Part I, line 4	146,868.	0.	146,868.	145,241.	

Form 990-PF Other Income Statement 2

Description	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Ferrell Gas LP-net investment income	<5,768.>	<5,768.>	
Total to Form 990-PF, Part I, line 11	<5,768.>	<5,768.>	

Form 990-PF Accounting Fees Statement 3

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Michelle K. Schmidt, E.A.	1,075.	1,075.		0.
To Form 990-PF, Pg 1, ln 16b	1,075.	1,075.		0.

Form 990-PF — Taxes — Statement 4

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Foreign tax withheld	1,272.	0.		0.
2015 excise tax	4,849.	0.		0.
To Form 990-PF, Pg 1, ln 18	6,121.	0.		0.

Form 990-PF — Other Expenses — Statement 5

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Filing fee - MN	25.	25.		0.
Royal Dutch ADR-investment fees	138.	138.		0.
Ferrell Gas LP	8.	8.		0.
To Form 990-PF, Pg 1, ln 23	171.	171.		0.

Form 990-PF — Other Increases in Net Assets or Fund Balances — Statement 6

Description	Amount
Federal bond basis adjustment per broker	293.
Total to Form 990-PF, Part III, line 3	293.

Form 990-PF — Other Decreases in Net Assets or Fund Balances — Statement 7

Description	Amount
To adjust contribution value of G & K Services to cost basis	75,720.
Medtronic non-dividend adjustments	3,845.
Total to Form 990-PF, Part III, line 5	79,565.

Form 990-PF — Corporate Stock — Statement 8

Description	Book Value	Fair Market Value
Equities	2,885,667.	3,082,533.
Total to Form 990-PF, Part II, line 10b	2,885,667.	3,082,533.

Form 990-PF — Corporate Bonds — Statement 9

Description	Book Value	Fair Market Value
Fixed Income	483,838.	472,448.
Corporate Bonds	833,592.	878,781.
Total to Form 990-PF, Part II, line 10c	1,317,430.	1,351,229.

Form 990-PF — Other Investments — Statement 10

Description	Valuation Method	Book Value	Fair Market Value
Ferrell Gas LP	COST	41,497.	20,310.
Total to Form 990-PF, Part II, line 13		41,497.	20,310.

Form 990-PF — Other Assets — Statement 11

Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
2016 Estimated tax payments	1,360.	1,560.	1,560.
To Form 990-PF, Part II, line 15	1,360.	1,560.	1,560.

Exhibit A – 2016

Frels Family Foundation TIN 45-5629574

Value of Investments

	Value at 12-31-15	Value at 12-31-16
Charles Schwab Acct #6478-2905	$4,865,389.66	$5,520,565.17

Appreciation/Depreciation in Value of Securities Held

	Value at 12-31-15	Value at 12-31-16	Net Change in Valuation
Schwab Acct #6478-2905	$4,865,389.66	$5,520,565.17	+$655,175.51

Average Monthly Value

Charles Schwab	$5,227,163.81

Frels Family Foundation
EIN: 45-5629574
Form 990-PF
BALANCE SHEET

Description	No of Shs Face Amount	Book Value	Fair Market Value
<u>Savings-</u>			
Money market savings		1,066,492 29	1,066,492 29
Less outstanding charitable contributions		(120,000 00)	(120,000 00)
Subtotal		946,492 29	946,492 29
<u>Fixed Income-</u>			
See Schedules Attached		483,838 00	472,448 00
<u>Corporate Bonds-</u>			
See Schedules Attached		833,592 00	878,781 00
<u>Equities-</u>			
See Schedules Attached		2,885,666 68	3,082,533 00
<u>Other -</u>			
Ferrell Gas Ltd Partnership		41,497 20	20,310.00
2016 Estimated Tax Payments		1,560.00	1,560 00
TOTAL		5,192,646 17	5,402,124 29

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	100,000 Federal Farm Credit 3.59%	P		02/05/16
b	100,000 FHLB, 3.5%	P	01/08/15	03/01/16
c	100,000 FHLB, 3.6%	P	02/20/15	04/14/16
d	100,0000 FHLB, 3.55%	P	03/26/15	04/18/16
e	100,000 Federal Farm Credit 3.0%	P	05/06/15	05/13/16
f	100,000 Fannie Mae 3.5%	P	07/14/15	06/07/16
g	.3333 Herc Holdgs Inc	P	09/27/13	07/05/16
h	150,000 FHLB 3.25%	P	05/06/15	08/05/16
i	100,000 FFCB 3.6%	P	11/16/15	11/15/16
j	Ferrell Gas LP	P		
k	Ferrell Gas LP			
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	100,000.		100,000.	0.
b	100,000.		100,000.	0.
c	100,000.		100,000.	0.
d	100,000.		100,000.	0.
e	100,000.		100,000.	0.
f	100,000.		96,254.	3,746.
g	10.		23.	<13.>
h	150,000.		150,000.	0.
i	100,000.		98,974.	1,026.
j	7.			7.
k			31.	<31.>
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col (k), but not less than "-0-")
	(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				0.
b				0.
c				0.
d				0.
e				0.
f				3,746.
g				<13.>
h				0.
i				1,026.
j				7.
k				<31.>
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	4,735.
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

623591
04-01-16

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 Opera 620 N 1st St. Minneapolis, MN 55401	None	Public Charity	Operating Support	10,000.
Minnesota Orchestra 1111 Nicollet Mall Minneapolis, MN 55403	None	Public Charity	Operating Support	10,000.
Neighborhood House 179 Roie St. E St. Paul, MN 55107	None	Public Charity	Operating Support	10,000.
Ordway Center for the Performing Arts 345 Washington Street St. Paul, MN 55102	None	Public Charity	Operating Support	10,000.
People Inc 2060 Centre Point Blvd Suite 3 St. Paul, MN 55120	None	Public Charity	Operating Support	10,000.
Ramsey County Historical Society 75 5th Street West #323 St. Paul, MN 55102	None	Public Charity	Operating Support	20,000.
Robbinsdale Women's Center 3826 West Broadway Robbinsdale, MN 55422	None	Public Charity	Operating Support	5,000.
Science Museum of Minnesota 120 W Kellogg Blvd St. Paul, MN 55102	None	Public Charity	Operating Support	10,000.
Second Harvest Heartland 1140 Gervais Avenue St. Paul, MN 55109	None	Public Charity	Operating Support	10,000.
St. John The Baptist Catholic School 835 2nd Avenue NW New Brighton, MN 55112	None	Public Charity	Operating Support	10,000.
Total from continuation sheets				220,000.

623631
04-01-16

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
St. John's School of Theology Seminary 31802 Co. Rd. 159 Collegeville, MN 56321	None	Public Charity	Operating Support	20,000.
St. John's St Andrew's Catholic School 115 E. County Rd 13 Melrose, MN 56352	None	Public Charity	Operating Support	10,000.
St. Odilia Catholic School 3495 Victoria St. N. St. Paul, MN 55126	None	Public Charity	Operating Support	10,000.
St. Peter's Catholic School 1250 South Shore Drive Forest Lake, MN 55025	None	Public Charity	Operating Support	15,000.
St. Vincent de Paul's Catholic School 9100 - 93rd Avenue N Brooklyn Center, MN 55430	None	Public Charity	Operating Support	15,000.
Net Ministries 110 Crusdader Avenue W. West St. Paul, MN 55118	None	Public Charity	Operating Support	20,000.
Alums & Friends & Families PO Box 7005 St. Paul, MN 55107	None	Public Charity	Operating Support	10,000.
U of MN Foundation 200 SE Oak Street #500 Minneapolis, MN 55455	None	Public Charity	Operating Support	5,000.
U of WI Foundation 1848 University Avenue Madison, WI 53726	None	Public Charity	Operating Support	5,000.
St. Catherine University 2004 Randolph Avenue St. Paul, MN 55105	None	Public Charity		5,000.
Total from continuation sheets				

623631
04-01-16

Income Summary	This Period Federally Tax-Exempt	This Period Federally Taxable	Year to Date Federally Tax-Exempt	Year to Date Federally Taxable
Money Funds Dividends	0 00	15 26	0 00	204 80
Cash Dividends	0 00	12,647 00	0 00	81,273 44
Partnership Distributions	0 00	300 00	0 00	1,325 00
Corporate Bond and Other Interest	0 00	0 00	0 00	37,477 18
Agency Security Interest	0 00	1,765 00	0 00	27,211 81
[redacted]				
Accrued Interest Paid[4]	0 00	(563 82)	0 00	(579 79)

[4]Certain accrued interest paid on taxable bonds may be deductible, consult your tax advisor

Investment Detail - Money Market Funds [Sweep]

Money Market Funds [Sweep]	**Quantity**	**Market Price**	**Market Value**	**Current Yield**	**% of Account Assets**
SCHWAB GOVT MONEY FUND SWGXX	1,066,492 2900	1 0000	1,066,492 29	0 01%	19%
[redacted]					

Investment Detail - Fixed Income

Agency Securities	**Par** / Units Purchased	**Market Price** / Cost Per Unit	**Market Value** / Cost Basis	**Adjusted Cost Basis**	**% of Account Assets** / Acquired	**Unrealized Gain or (Loss)**	**Estimated Annual Income** / Yield to Maturity
FEDERAL FARM CRE 3.53%30	**100,000.0000**	**99.8067**	**99,806.70**	**99,850.00**	**2%**	**(43.30)**	**3,530.00**
DUE 12/23/30	100,000 0000	99 8500	99,850 00	99,850 00	12/22/15	(43 30)	3 54%
CUSIP. 3133EFTS6							
MOODY'S Aaa S&P AA+							***Accrued Interest: 78.44***

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Fixed Income (continued)

Agency Securities (continued)	**Par** Units Purchased	**Market Price** Cost Per Unit	**Market Value** Cost Basis	**Adjusted Cost Basis**	**% of Account Assets** Acquired	**Unrealized Gain or (Loss)**	**Estimated Annual Income** Yield to Maturity
FFCB 3.89%34	**100,000.0000**	**100.7322**	**100,732.20**	**100,000.00**	**2%**	**732.20**	**3,890.00**
DUE 10/10/34	100,000 0000	100 0000	100,000 00	100,000 00	10/02/14	732 20	3 89%
CALLABLE 10/10/17 AT 100 00000							
CUSIP 3133EDX80							
MOODY'S Aaa S&P AA+							***Accrued Interest: 875.25***
FHLB 2.85%36	**100,000.0000**	**90.0260**	**90,026.00**	**92,961.00**	**2%**	**(2,935.00)**	**2,850.00**
DUE 10/20/36	100,000 0000	92 9610	92,961 00	92,961 00	12/05/16	(2,935 00)	3 33%
CALLABLE 01/20/17 AT 100 00000							
CUSIP 3130A9RK9							
MOODY'S Aaa S&P AA+							***Accrued Interest: 562.08***
FEDERAL HOME LN 2.875%36	**200,000.0000**	**90.9417**	**181,883.40**	**191,027.00**	**3%**	**(9,143.60)**	**5,750.00**
DUE 11/14/36	100,000 0000	97 2620	97,262 00	97,262 00	11/15/16	(6,320 30)	3 05%
CALLABLE 11/14/17 AT 100.00000	100,000 0000	93 7650	93,765 00	93,765 00	12/08/16	(2,823 30)	3 30%
CUSIP: 3130A9Z79							
MOODY'S Aaa S&P AA+							
Cost Basis			*191,027 00*				***Accrued Interest: 750.69***
[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		[illegible]	[illegible]				

Total Accrued Interest for Agency Securities: 2,266.46

Investment Detail - Fixed Income (continued)

Corporate Bonds	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	Adjusted Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
PROSPECT CAPITAL 5.85%19	**100,000.0000**	**100.4049**	**100,404.90**	**100,000.00**	**2%**	**404.90**	**5,850.00**
DUE 09/15/19	100,000 0000	100 0000	100,000 00	100,000 00	09/24/12	404 90	5 85%
CALLABLE 03/15/17 AT 100 00000							
CUSIP 74348YAS0							
MOODY'S NR S&P BBB-							***Accrued Interest: 1,722.50***
CLIFFS NATURAL RE 5.9%20	**100,000.0000**	**95.2500**	**95,250.00**	**84,799.00**	**2%**	**10,451.00**	**5,900.00**
DUE 03/15/20	100,000 0000	84 7990	84,799 00	84,799 00	09/26/14	10,451 00	9 53%
CUSIP 18683KAA9							
MOODY'S Caa2 S&P CCC-							***Accrued Interest: 1,737.22***
TIME WARNER CABLE 4%21	**100,000.0000**	**102.5416**	**102,541.60**	**92,978.00**	**2%**	**9,563.60**	**4,000.00**
DUE 09/01/21	100,000 0000	92 9780	92,978 00	92,978 00	11/06/13	9,563 60	5 10%
CALLABLE 06/01/21 AT 100 00000							
CUSIP 88732JBA5							
MOODY'S Ba1 S&P BBB-							***Accrued Interest: 1,333.33***
NEWMONT MINING CO 3.5%22	**100,000.0000**	**101.3540**	**101,354.00**	**87,109.00**	**2%**	**14,245.00**	**3,500.00**
DUE 03/15/22	100,000 0000	87 1090	87,109 00	87,109 00	10/07/13	14,245 00	5 42%
CALLABLE 12/15/21 AT 100 00000							
CUSIP 651639AN6							
MOODY'S Baa2 S&P BBB							***Accrued Interest: 1,030.56***

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par / Units Purchased	Market Price / Cost Per Unit	Market Value / Cost Basis	Adjusted Cost Basis	% of Account Assets / Acquired	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
NOBLE HLDG INTL 3.95%22F	**100,000.0000**	**92.0000**	**92,000.00**	**90,149.00**	**2%**	**1,851.00**	**3,950.00**
TENDER OFFER	100,000 0000	90 1490	90,149 00	90,149 00	12/12/14	1,851 00	5 62%
EXP 12/27 01/11/2017							
CUSIP 65504LAJ6							
MOODY'S B1 S&P BB-							***Accrued Interest: 1,163.06***
BARRICK GOLD CO 3.85%22F	**100,000.0000**	**100.7961**	**100,796.10**	**85,500.00**	**2%**	**15,296.10**	**3,850.00**
DUE 04/01/22	100,000 0000	85 5000	85,500 00	85,500 00	09/13/13	15,296 10	6 04%
CUSIP 067901AL2							
MOODY'S Baa3 S&P BBB-							***Accrued Interest: 962.50***
HP INC. 4.05%22	**100,000.0000**	**103.1565**	**103,156.50**	**98,513.00**	**2%**	**4,643.50**	**4,050.00**
DUE 09/15/22	100,000 0000	98 5130	98,513 00	98,513 00	09/11/12	4,643 50	4 23%
CUSIP 428236BX0							
MOODY'S Baa2 S&P BBB							***Accrued Interest: 1,192.50***
MORGAN STANLEY VAR 23	**100,000.0000**	**97.5282**	**97,528.20**	**N/A**	**2%**	**(1,221.80)**	**N/A**
DUE 01/31/23	100,000 0000	98 7500	98,750 00	N/A	01/11/13	(1,221 80)	N/A
CUSIP 61760QCG7							
MOODY'S A3 S&P BBB+							

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	Adjusted Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
ENSCO PLC 4.5%24F	**100,000.0000**	**85.7500**	**85,750.00**	**95,794.00**	**2%**	**(10,044.00)**	**4,500.00**
DUE 10/01/24	100,000 0000	95 7940	95,794 00	95,794 00	01/21/15	(10,044 00)	5 05%
CALLABLE 07/01/24 AT 100 00000							
CUSIP 29358QAC3							
MOODY'S B1 S&P BB							***Accrued Interest: 1,125.00***
[redacted]							
							Total Accrued Interest for Corporate Bonds: 10,266.67
[redacted]							

Accrued Interest represents the interest that would be received if the fixed income investment was sold prior to the coupon payment
Estimated Annual Income ("EAI") and Estimated Yield ("EY") calculations are for informational purposes only The actual income and yield might be lower or higher than the estimated amounts EY is based upon EAI and the current price of the security and will fluctuate For certain types of securities, the calculations could include a return of principal or capital gains in which case EAI and EY would be overstated EY and EAI are not promptly updated to reflect when an issuer has missed a regular payment or announced changes to future payments, in which case EAI and EY will continue to display at a prior rate

Investment Detail - Equities

Equities	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Yield Holding Days	Estimated Annual Income Holding Period
ABBOTT LABORATORIES	**1,000.0000**	**38.4100**	**38,410.00**	**<1%**	**5,413.05**	**2.70%**	**1,040.00**
SYMBOL ABT	1,000 0000	32 9969	32,996 95	10/09/13	5,413 05	1179	Long-Term

Investment Detail - Equities (continued)

Equities (continued)	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Yield Holding Days	Estimated Annual Income Holding Period
BHP BILLITON LTD F	**2,000.0000**	**35.7800**	**71,560.00**	**1%**	**(20,319.90)**	**1.56%**	**1,120.00**
ADR	1,000 0000	46 2429	46,242 95	12/12/14	(10,462 95)	750	Long-Term
1 ADR REPS 2 ORD SHS	1,000 0000	45 6369	45,636 95	12/16/14	(9,856 95)	746	Long-Term
SYMBOL BHP							
Cost Basis			*91,879 90*				
BP PLC F	**3,000.0000**	**37.3800**	**112,140.00**	**2%**	**(5,017.35)**	**6.42%**	**7,200.00**
UNSPONSORED ADR	1,000 0000	40 2469	40,246 95	11/15/12	(2,866 95)	1507	Long-Term
1 ADR REPS 6 ORD SHS	1,000 0000	45 2629	45,262 95	09/09/14	(7,882 95)	844	Long-Term
SYMBOL BP	1,000 0000	31 6474	31,647 45	09/02/15	5,732 55	486	Long-Term
Cost Basis			*117,157 35*				
CATERPILLAR INC	**2,000.0000**	**92.7400**	**185,480.00**	**3%**	**29,530.85**	**3.32%**	**6,160.00**
SYMBOL CAT	1,000 0000	79 5472	79,547 25	01/27/15	13,192 75	704	Long-Term
	500 0000	77 3059	38,652 95	08/04/15	7,717 05	515	Long-Term
	500 0000	75 4979	37,748 95	08/21/15	8,621 05	498	Long-Term
Cost Basis			*155,949 15*				
CHEVRON CORPORATION	**1,000.0000**	**117.7000**	**117,700.00**	**2%**	**12,394.10**	**3.67%**	**4,320.00**
SYMBOL CVX	500 0000	107 3369	53,668 45	12/08/14	5,181 55	754	Long-Term
	500 0000	103 2749	51,637 45	12/10/14	7,212 55	752	Long-Term
Cost Basis			*105,305 90*				
CLIFFS NATURAL RES	**5,000.0000**	**8.4100**	**42,050.00**	**<1%**	**(20,892.80)**	**N/A**	**N/A**
SYMBOL. CLF	2,000 0000	17 5624	35,124 95	06/17/13	(18,304 95)	1293	Long-Term
	1,000 0000	14 1269	14,126 95	06/25/14	(5,716 95)	920	Long-Term
	1,000 0000	7 5129	7,512 95	10/09/14	897 05	814	Long-Term
	1,000 0000	6 1779	6,177 95	12/17/14	2,232 05	745	Long-Term
Cost Basis			*62,942 80*				

Schwab One® Account of
FRELS FAMILY FOUNDATION

Account Number
6478-2905

Statement Period
December 1-31, 2016

Investment Detail - Equities (continued)

Equities (continued)	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Yield Holding Days	Estimated Annual Income Holding Period
CONOCOPHILLIPS	**3,000.0000**	**50.1400**	**150,420.00**	**3%**	**(19,284.15)**	**1.99%**	**3,000.00**
SYMBOL COP	1,000 0000	62 7579	62,757 95	01/16/15	(12,617 95)	715	Long-Term
	1,000 0000	59 2069	59,206 95	07/08/15	(9,066 95)	542	Long-Term
	1,000 0000	47 7392	47,739 25	08/20/15	2,400 75	499	Long-Term
Cost Basis			*169,704 15*				
CORNING INC	**5,000.0000**	**24.2700**	**121,350.00**	**2%**	**56,906.05**	**2.22%**	**2,700.00**
SYMBOL GLW	5,000 0000	12 8887	64,443 95	04/19/13	56,906 05	1352	Long-Term
DAKTRONICS INC	**3,000.0000**	**10.7000**	**32,100.00**	**<1%**	**1,712.80**	**2.61%**	**840.00**
SYMBOL DAKT	2,000 0000	10 9604	21,920 95	02/24/15	(520 95)	676	Long-Term
	1,000 0000	8 4662	8,466 25	09/02/15	2,233 75	486	Long-Term
Cost Basis			*30,387 20*				
ELI LILLY & COMPANY	**1,000.0000**	**73.6500**	**73,550.00**	**1%**	**25,073.05**	**2.77%**	**2,040.00**
SYMBOL LLY	1,000 0000	48 4769	48,476 95	10/04/13	25,073 05	1184	Long-Term
EMERSON ELECTRIC CO	**2,000.0000**	**55.7500**	**111,500.00**	**2%**	**12,945.10**	**3.44%**	**3,840.00**
SYMBOL EMR	1,000 0000	48 0259	48,025 95	11/15/12	7,724 05	1507	Long-Term
	1,000 0000	50 5289	50,528 95	08/04/15	5,221 05	515	Long-Term
Cost Basis			*98,554 90*				
FULLER H B CO	**3,000.0000**	**48.3100**	**144,930.00**	**3%**	**28,517.85**	**1.15%**	**1,680.00**
SYMBOL FUL	1,000 0000	43 8890	43,889 05	09/23/14	4,420 95	830	Long-Term
	1,000 0000	37 7861	37,786 15	10/15/14	10,523 85	808	Long-Term
	1,000 0000	34 7369	34,736 95	09/02/15	13,573 05	486	Long-Term
Cost Basis			*116,412 15*				
G & K SERVICES INC C	**1,000.0000**	**96.4500**	**96,450.00**	**2%**	**75,890.00**	**1.61%**	**1,560.00**
CLASS A SYMBOL GK	1,000 0000	20 5600	20,560 00	01/24/00	75,890 00	6186	Long-Term

Investment Detail - Equities (continued)

Equities (continued)	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Yield Holding Days	Estimated Annual Income Holding Period
GENERAL ELECTRIC CO	**5,000.0000**	**31.6000**	**158,000.00**	**3%**	**35,107.20**	**2.91%**	**4,600.00**
SYMBOL GE	100 0000	25 2840	2,528 40	08/04/14	631 60	880	Long-Term
	900 0000	25 2839	22,755 55	08/04/14	5,684 45	880	Long-Term
	1,000 0000	24 7089	24,708 95	10/08/14	6,891 05	815	Long-Term
	1,000 0000	24 5429	24,542 95	10/14/14	7,057 05	809	Long-Term
	2,000 0000	24 1784	48,356 95	01/07/15	14,843 05	724	Long-Term
Cost Basis			*122,892.80*				***Accrued Dividend: 1,200.00***
HERC HLDGS INC	**333.0000**	**40.1600**	**13,373.28**	**<1%**	**(3,197.96)**	**N/A**	**N/A**
SYMBOL HRI	66 3333	64 9698	4,309 67	09/27/13	(1,645 72)	1191	Long-Term
	66 6666	50 3754	3,358 36	08/04/15	(681 03)	515	Long-Term
	66 6666	55 0069	3,667 13	08/20/15	(989 80)	499	Long-Term
	66 6666	50 9280	3,395 20	08/21/15	(717 87)	498	Long-Term
	66 6666	27 6132	1,840 88	02/01/16	836 45	334	Short-Term
Cost Basis			*16,571 24*				
HERTZ GLOBAL HOLDING	**1,000.0000**	**21.5600**	**21,560.00**	**<1%**	**(45,681.76)**	**N/A**	**N/A**
SYMBOL HTZ	200 0000	87 7621	17,552 43	09/27/13	(13,240 43)	1191	Long-Term
	200 0000	68 0479	13,609 59	08/04/15	(9,297 59)	515	Long-Term
	200 0000	74 3041	14,860 82	08/20/15	(10,548 82)	499	Long-Term
	200 0000	68 7942	13,758 85	08/21/15	(9,446 85)	498	Long-Term
	200 0000	37 3003	7,460 07	02/01/16	(3,148 07)	334	Short-Term
Cost Basis			*67,241 76*				
M D U RESOURCES GRP	**5,000.0000**	**28.7700**	**143,850.00**	**3%**	**54,996.55**	**2.60%**	**3,750.00**
SYMBOL MDU	5,000 0000	17 7706	88,853 45	12/01/15	54,996 55	396	Long-Term
							Accrued Dividend: 962.50

Investment Detail - Equities (continued)

Equities (continued)	Quantity / Units Purchased	Market Price / Cost Per Share	Market Value / Cost Basis	% of Account Assets / Acquired	Unrealized Gain or (Loss)	Estimated Yield / Holding Days	Estimated Annual Income / Holding Period
M T S SYSTEMS CORP	**2,000.0000**	**56.7000**	**113,400.00**	**2%**	**17,894.45**	**2.11%**	**2,400.00**
SYMBOL MTSC	1,000 0000	49 0929	49,092 95	05/11/16	7,607 05	234	Short-Term
	500 0000	47 7023	23,851 15	05/12/16	4,498 85	233	Short-Term
	500 0000	45 1229	22,561 45	06/08/16	5,788 55	206	Short-Term
Cost Basis			*95,505 55*				***Accrued Dividend: 600.00***
MEDTRONIC PLC F	**3,000.0000**	**71.2300**	**213,690.00**	**4%**	**(14,941.84)**	**2.41%**	**5,160.00**
SYMBOL MDT	3,000 0000	76 2106	228,631 84	01/27/15	(14,941 84)	704	Long-Term
							Accrued Dividend: 1,290.00
MERCK & CO INC	**2,000.0000**	**58.8700**	**117,740.00**	**2%**	**34,028.10**	**3.12%**	**3,680.00**
SYMBOL MRK	1,000 0000	42 2769	42,276 95	01/08/13	16,593 05	1453	Long-Term
	1,000 0000	41 4349	41,434 95	02/05/13	17,435 05	1425	Long-Term
Cost Basis			*83,711 90*				***Accrued Dividend: 940.00***
MOCON INC	**2,000.0000**	**19.5000**	**39,000.00**	**<1%**	**10,984.30**	**2.25%**	**880.00**
SYMBOL MOCO	200 0000	13 9989	2,799 79	09/12/13	1,100 21	1206	Long-Term
	200 0000	14 0079	2,801 59	09/12/13	1,098 41	1206	Long-Term
	200 0000	14 0089	2,801 79	09/12/13	1,098 21	1206	Long-Term
	400 0000	14 0089	5,603 58	09/12/13	2,196 42	1206	Long-Term
	100 0000	14 0090	1,400 90	09/17/13	549 10	1201	Long-Term
	100 0000	14 0090	1,400 90	09/17/13	549 10	1201	Long-Term
	100 0000	14 0090	1,400 90	09/17/13	549 10	1201	Long-Term
	112 0000	14 0088	1,568 99	09/17/13	615 01	1201	Long-Term
	588 0000	14 0089	8,237 26	09/17/13	3,228 74	1201	Long-Term
Cost Basis			*28,015 70*				

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

charles SCHWAB

Schwab One® Account of
FRELS FAMILY FOUNDATION

Account Number
6478-2905

Statement Period
December 1-31, 2016

Investment Detail - Equities (continued)

Equities (continued)	Quantity / Units Purchased	Market Price / Cost Per Share	Market Value / Cost Basis	% of Account Assets / Acquired	Unrealized Gain or (Loss)	Estimated Yield / Holding Days	Estimated Annual Income / Holding Period
MOSAIC CO	**5,000.0000**	**29.3300**	**146,650.00**	**3%**	**(35,480.65)**	**3.75%**	**5,600.00**
SYMBOL MOS	1,000 0000	49 5054	49,505 45	11/16/12	(20,175 45)	1506	Long-Term
	1,000 0000	46 4079	46,407 95	09/09/14	(17,077 95)	844	Long-Term
	1,000 0000	39 1539	39,153 95	09/02/15	(9,823 95)	486	Long-Term
	1,000 0000	23 9549	23,954 95	02/01/16	5,375 05	334	Short-Term
	400 0000	23 1089	9,243 58	10/13/16	2,488 42	79	Short-Term
	600 0000	*23 1079*	*13,864 77*	*10/13/16*	*3,733 23*	*79*	*Short-Term*
Cost Basis			*182,130 65*				
MSA SAFETY INC	**1,000.0000**	**69.3300**	**69,330.00**	**1%**	**33,167.05**	**1.90%**	**1,320.00**
SYMBOL MSA	1,000 0000	36 1629	36,162 95	11/15/12	33,167 05	1507	Long-Term
MURPHY OIL CORP HLDG	**3,000.0000**	**31.1300**	**93,390.00**	**2%**	**(46,774.30)**	**3.21%**	**3,000.00**
SYMBOL MUR	1,000 0000	56 3564	56,356 45	02/12/14	(25,226 45)	1053	Long-Term
	500 0000	54 0859	27,042 95	10/09/14	(11,477 95)	814	Long-Term
	500 0000	47 9959	23,997 95	01/21/15	(8,432 95)	710	Long-Term
	1,000 0000	32 7669	32,766 95	08/04/15	(1,636 95)	515	Long-Term
Cost Basis			*140,164 30*				
NEWMONT MINING CORP	**3,000.0000**	**34.0700**	**102,210.00**	**2%**	**26,629.30**	**0.58%**	**600.00**
SYMBOL NEM	2,000 0000	26 7038	53,407 75	07/10/13	14,732 25	1270	Long-Term
	1,000 0000	22 1729	22,172 95	10/09/14	11,897 05	814	Long-Term
Cost Basis			*75,580 70*				
NRG ENERGY INC	**1,000.0000**	**12.2600**	**12,260.00**	**<1%**	**72.05**	**0.97%**	**120.00**
SYMBOL NRG	1,000 0000	12 1879	12,187 95	09/06/16	72 05	116	Short-Term

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Equities (continued)

Equities (continued)	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Yield Holding Days	Estimated Annual Income Holding Period
PENTAIR PLC F	**2,000.0000**	**56.0700**	**112,140.00**	**2%**	**(4,507.85)**	**2.42%**	**2,720.00**
SYMBOL PNR	1,000 0000	60 3269	60,326 95	08/04/15	(4,256 95)	515	Long-Term
	500 0000	57 7639	28,881 95	08/21/15	(846 95)	498	Long-Term
	500 0000	54 8779	27,438 95	08/24/15	596 05	495	Long-Term
Cost Basis			*116,647 85*				
PFIZER INCORPORATED	**2,000.0000**	**32.4800**	**64,960.00**	**1%**	**7,049.10**	**3.69%**	**2,400.00**
SYMBOL PFE	1,000 0000	29 1279	29,127 95	10/09/14	3,352 05	814	Long-Term
	1,000 0000	28 7829	28,782 95	10/14/14	3,697 05	809	Long-Term
Cost Basis			*57,910 90*				
ROYAL DUTCH SHELL F	**3,000.0000**	**54.3800**	**163,140.00**	**3%**	**3,516.25**	**6.91%**	**11,280.00**
UNSPONSORED ADR	1,000 0000	68 2349	68,234 95	11/08/12	(13,854 95)	1514	Long-Term
1 ADR REPS 2 ORD SHS	1,000 0000	49 8829	49,882 95	08/24/15	4,497 05	495	Long-Term
SYMBOL RDSA	100 0000	41 5075	4,150 75	02/02/16	1,287 25	333	Short-Term
	100 0000	41 5077	4,150 77	02/02/16	1,287 23	333	Short-Term
	100 0000	41 5080	4,150 80	02/02/16	1,287 20	333	Short-Term
	160 0000	41 5088	6,641 41	02/02/16	2,059 39	333	Short-Term
	540 0000	41 5039	22,412 12	02/02/16	6,953 08	333	Short-Term
Cost Basis			*159,623 75*				
SOUTH32 LTD F	**800.0000**	**9.9000**	**7,920.00**	**<1%**	**720.00**	**N/A**	**N/A**
UNSPONSORED ADR	800 0000	9 0000	7,200 00	05/18/15	720 00	593	Long-Term
1 ADR REPS 5 ORD SHS							
SYMBOL SOUHY							
T C F FINANCIAL CORP	**2,000.0000**	**19.5900**	**39,180.00**	**<1%**	**15,833.60**	**1.53%**	**600.00**
SYMBOL TCB	100 0000	11 9240	1,192 40	02/01/16	766 60	334	Short-Term
	900 0000	11 9279	10,735 15	02/01/16	6,895 85	334	Short-Term
	1,000 0000	11 4188	11,418 85	02/02/16	8,171 15	333	Short-Term
Cost Basis			*23,346 40*				

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Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

charles SCHWAB

Schwab One® Account of
FRELS FAMILY FOUNDATION

Account Number
6478-2905

Statement Period
December 1-31, 2016

Investment Detail - Equities (continued)

Equities (continued)	Quantity / Units Purchased	Market Price / Cost Per Share	Market Value / Cost Basis	% of Account Assets / Acquired	Unrealized Gain or (Loss)	Estimated Yield / Holding Days	Estimated Annual Income / Holding Period
TIMKEN COMPANY	**2,000.0000**	**39.7000**	**79,400.00**	**1%**	**6,246.30**	**2.61%**	**2,080.00**
SYMBOL TKR	1,000 0000	40 3047	40,304 75	01/16/15	(604 75)	715	Long-Term
	1,000 0000	32 8489	32,848 95	08/04/15	6,851 05	515	Long-Term
Cost Basis			*73,153 70*				
TRANSOCEAN INC NEW F	**5,000.0000**	**14.7400**	**73,700.00**	**1%**	**(83,288.50)**	**N/A**	**N/A**
SYMBOL RIG	1,000 0000	45 5869	45,586 95	09/19/13	(30,846 95)	1199	Long-Term
	500 0000	41 9159	20,957 95	03/04/14	(13,587 95)	1033	Long-Term
	500 0000	39 9037	19,951 85	03/24/14	(12,581 85)	1013	Long-Term
	1,000 0000	37 3989	37,398 95	09/09/14	(22,658 95)	844	Long-Term
	1,000 0000	23 2679	23,267 95	11/26/14	(8,527 95)	766	Long-Term
	1,000 0000	9 8248	9,824 85	02/01/16	4,915 15	334	Short-Term
Cost Basis			*156,988 50*				
[redacted]							

Total Accrued Dividend for Equities: 4,992.50

Estimated Annual Income ("EAI") and Estimated Yield ("EY") calculations are for informational purposes only The actual income and yield might be lower or higher than the estimated amounts EY is based upon EAI and the current price of the security and will fluctuate For certain types of securities, the calculations could include a return of principal or capital gains in which case EAI and EY would be overstated EY and EAI are not promptly updated to reflect when an issuer has missed a regular payment or announced changes to future payments, in which case EAI and EY will continue to display at a prior rate

Schwab One® Account of
FRELS FAMILY FOUNDATION

Account Number
6478-2905

Statement Period
December 1-31, 2016

Investment Detail - Other Assets

Other Assets	Quantity / Units Purchased	Market Price / Cost Per Share	Market Value / Cost Basis	% of Account Assets / Acquired	Unrealized Gain or (Loss)	Estimated Yield / Holding Days	Estimated Annual Income / Holding Period
FERRELLGAS PARTNERS LP	**3,000.0000**	**6.7700**	**20,310.00**	**<1%**	**(28,303.20)**	**5.90%**	**1,200.00**
SYMBOL FGP	50 0000	18 6490	932 45	04/28/16	(593 95)	247	Short-Term
	150 0000	18 6579	2,798 69	04/28/16	(1,783 19)	247	Short-Term
	200 0000	18 6574	3,731 49	04/28/16	(2,377 49)	247	Short-Term
	600 0000	18 6519	11,191 17	04/28/16	(7,129 17)	247	Short-Term
	1,000 0000	17 7939	17,793 95	09/13/16	(11,023 95)	109	Short-Term
	300 0000	12 1689	3,650 69	09/29/16	(1,619 69)	93	Short-Term
	700 0000	12 1639	8,514 76	09/29/16	(3,775 76)	93	Short-Term
Cost Basis			*48,613 20*				

[redacted]

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