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Return of Private Foundation

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

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

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning

, and ending

Name of foundation

RANDY AND NANCY TRACHTE FAMILY
FOUNDATION INC

A Employer identification number

47-5544736

Number and street (or P.O. box number if mail is not delivered to street address)

5901 CLAREWOOD CT.

Room/suite

B Telephone number

(608) 230-6468

City or town, state or province, country, and ZIP or foreign postal code

MIDDLETON, WI 53562

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 changeD 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 foundationE 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)

J Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify)F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

\$ 2,009,078. (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses

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

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

1 Contributions, gifts, grants, etc., received

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

40,965.

40,965.

STATEMENT 1

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

58,099.

b Gross sales price for all assets on line 6a 1,106,694.

7 Capital gain net income (from Part IV, line 2)

58,099.

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

99,064.

99,064.

13 Compensation of officers, directors, trustees, etc

0.

0.

0.

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees

STMT 2

1,952.

0.

1,952.

b Accounting fees

STMT 3

1,293.

647.

646.

c Other professional fees

STMT 4

16,069.

16,069.

0.

17 Interest

18 Taxes

STMT 5

8.

8.

0.

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses

24 Total operating and administrative expenses Add lines 13 through 23

19,322.

16,724.

2,598.

25 Contributions, gifts, grants paid

120,000.

120,000.

26 Total expenses and disbursements. Add lines 24 and 25

139,322.

16,724.

122,598.

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

-40,258.

b Net investment income (if negative, enter -0-)

82,340.

c Adjusted net income (if negative, enter -0-)

N/A

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FOUNDATION INC**

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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	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	1,092,284.	54,136.	54,136.
	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	396,484.	1,242,798.	1,309,028.
	c Investments - corporate bonds STMT 7	496,000.	579,166.	579,737.
	11 Investments - land, buildings, and equipment basis ▶ Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 8	0.	68,410.	66,177.
	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)	1,984,768.	1,944,510.	2,009,078.	
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 ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	1,984,768.	1,944,510.	
30 Total net assets or fund balances	1,984,768.	1,944,510.		
31 Total liabilities and net assets/fund balances	1,984,768.	1,944,510.		

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)	1,984,768.
2 Enter amount from Part I, line 27a	-40,258.
3 Other increases not included in line 2 (itemize) ▶	0.
4 Add lines 1, 2, and 3	1,944,510.
5 Decreases not included in line 2 (itemize) ▶	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	1,944,510.

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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 PUBLIC SECURITIES			
b CAPITAL GAINS DIVIDENDS			
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 1,092,000.		1,048,595.	43,405.
b 14,694.			14,694.
c			
d			
e			

(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			43,405.
b			14,694.
c			
d			
e			

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	2	58,099.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	<div> <div>If gain, also enter in Part I, line 8, column (c).</div> <div>If (loss), enter -0- in Part I, line 8</div> </div>	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	16,000.	1,956,704.	.008177
2014			
2013			
2012			
2011			

2 Total of line 1, column (d)	2	.008177
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	.008177
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	2,006,274.
5 Multiply line 4 by line 3	5	16,405.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	823.
7 Add lines 5 and 6	7	17,228.
8 Enter qualifying distributions from Part XII, line 4	8	122,598.

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.

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

<p>1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)</p> <p>b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b</p> <p>c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).</p>	1	823.
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	823.
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	823.
6 Credits/Payments:		
<p>a 2016 estimated tax payments and 2015 overpayment credited to 2016</p> <p>b Exempt foreign organizations - tax withheld at source</p> <p>c Tax paid with application for extension of time to file (Form 8868)</p> <p>d Backup withholding erroneously withheld</p>	6a 6b 6c 6d	
7 Total credits and payments. Add lines 6a through 6d	7	0.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9	823.
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 <input type="checkbox"/> Refunded <input type="checkbox"/>	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
1b 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
1c 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
4b If "Yes," has it filed a tax return on Form 990-T for this year?	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) <u>WI</u>			
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

N/A

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Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	X	
14 The books are in care of ► <u>THE FOUNDATION</u> Telephone no. ► <u>608-230-6468</u> Located at ► <u>5901 CLAREWOOD CT., MIDDLETON, WI</u> ZIP+4 ► <u>53562</u>		
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 <u>N/A</u>		
16 At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►		X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here N/A	1b	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)): a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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

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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)? ☐ Yes ☒ No
Organizations relying on a current notice regarding disaster assistance check here ☐ Yes ☒ No

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? ☐ Yes ☒ No
If "Yes," attach the statement required by Regulations section 53.4945-5(d) N/A

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? ☐ Yes ☒ No
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? ☐ Yes ☒ No

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 9		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

C

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.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	0.
b Average of monthly cash balances	1b	2,036,826.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	2,036,826.
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	2,036,826.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	30,552.
5 Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,006,274.
6 Minimum investment return Enter 5% of line 5	6	100,314.

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	100,314.
2a Tax on investment income for 2016 from Part VI, line 5	2a	823.	
b Income tax for 2016. (This does not include the tax from Part VI.)	2b		
c Add lines 2a and 2b		2c	823.
3 Distributable amount before adjustments. Subtract line 2c from line 1		3	99,491.
4 Recoveries of amounts treated as qualifying distributions		4	0.
5 Add lines 3 and 4		5	99,491.
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	99,491.

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	122,598.
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	122,598.
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	823.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	121,775.

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.

**RANDY AND NANCY TRACHTE FAMILY
FOUNDATION INC**
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				99,491.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				7,705.
f Total of lines 3a through e	7,705.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ \$				122,598.
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				99,491.
e Remaining amount distributed out of corpus	23,107.			
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	30,812.			
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	30,812.			
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				7,705.
e Excess from 2016				23,107.

N/A

- b** Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(j)(3) or ☐ 4942(j)(5)

- (e) Total**

- (4) Gross investment income

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

**RANDY AND NANCY TRACHTE FAMILY
FOUNDATION INC**

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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				
MIDDLETON OUTREACH MINISTRY 3052 PARMENTER ST. MIDDLETON, WI 53562	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	3,750.
UNIVERSITY OF WISCONSIN FOUNDATION 1848 UNIVERSITY AVE. MADISON, WI 53726	NONE	PUBLIC CHARITY	UW CARBONE CANCER CENTER	10,000.
SALVATION ARMY OF DANE COUNTY 3030 DARBO DRIVE MADISON, WI 53714	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	10,000.
MIDDLETON COMMUNITY VETERANS TRIBUTE P.O. BOX 628132 MIDDLETON, WI 53562	NONE	PUBLIC CHARITY	CONSTRUCTION OF A VETERANS MEMORIAL	10,000.
CLEAN LAKES ALLIANCE 150 EAST GILMAN ST. MADISON, WI 53703	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	5,000.
Total SEE CONTINUATION SHEET(S) ▶ 3a				120,000.
b Approved for future payment				
NONE				
Total ▶ 3b				0.

Form **990-PF** (2016)

**RANDY AND NANCY TRACHTE FAMILY
FOUNDATION INC**

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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
PHEASANT BRANCH CONSERVANCY P.O. BOX 628242 MIDDLETON, WI 53562	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	5,000.
UNIVERSITY OF WISCONSIN FOUNDATION 1848 UNIVERSITY AVE. MADISON, WI 53726	NONE	PUBLIC CHARITY	SINGLE PARENT UNDERGRADUATE SCHOLARSHIPS	20,000.
UNIVERSITY OF WISCONSIN FOUNDATION 1848 UNIVERSITY AVE. MADISON, WI 52726	NONE	PUBLIC CHARITY	RECREATIONAL SPORTS FUND	20,000.
WOODS HOLLOW CHILDREN'S CENTER 5470 RESEARCH PARK DR. FITCHBURG, WI 53711	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	20,000.
SECOND HARVEST FOODBANK 2802 DAIRY DRIVE MADISON, WI 53718	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	3,750.
PORCHLIGHT INC 306 N. BROOKS ST. MADISON, WI 53715	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	3,750.
BLACKHAWK CHURCH 9620 BRADER WAY MIDDLETON, WI 53562	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	3,750.
MADISON MUSEUM OF CONTEMPORARY ART 227 STATE ST. MADISON, WI 53703	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	2,500.
MADISON CHILDREN'S MUSEUM 100 N. HAMILTON ST. MADISON, WI 53703	NONE	PUBLIC CHARITY	GENERAL OPERATIONS	2,500.
Total from continuation sheets				81,250.

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES				STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	
US BANK	55,659.	14,694.	40,965.	40,965.		
TO PART I, LINE 4	55,659.	14,694.	40,965.	40,965.		

FORM 990-PF	LEGAL FEES				STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES		
LEGAL	1,952.	0.		1,952.		
TO FM 990-PF, PG 1, LN 16A	1,952.	0.		1,952.		

FORM 990-PF	ACCOUNTING FEES				STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES		
ACCOUNTING	1,293.	647.		646.		
TO FORM 990-PF, PG 1, LN 16B	1,293.	647.		646.		

FORM 990-PF	OTHER PROFESSIONAL FEES				STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES		
INVESTMENT FEES	16,069.	16,069.		0.		
TO FORM 990-PF, PG 1, LN 16C	16,069.	16,069.		0.		

FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FOREIGN TAXES	8.	8.		0.	
TO FORM 990-PF, PG 1, LN 18	8.	8.		0.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	6
DESCRIPTION	BOOK VALUE		FAIR MARKET VALUE	
EQUITIES (SEE ATTACHMENT)	1,242,798.		1,309,028.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,242,798.		1,309,028.	

FORM 990-PF	CORPORATE BONDS		STATEMENT	7
DESCRIPTION	BOOK VALUE		FAIR MARKET VALUE	
FIXED INCOME FUNDS (SEE ATTACHMENT)	579,166.		579,737.	
TOTAL TO FORM 990-PF, PART II, LINE 10C	579,166.		579,737.	

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	8
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
REAL ESTATE FUNDS (SEE ATTACHMENT)	FMV	68,410.	66,177.	
TOTAL TO FORM 990-PF, PART II, LINE 13		68,410.	66,177.	

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS STATEMENT 9
 TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
RANDOLPH TRACHTE 5901 CLAREWOOD CT MIDDLETON, WI 53562	PRESIDENT/TREASURER 1.00	0.	0.	0.
NANCY TRACHTE 5901 CLAREWOOD CT MIDDLETON, WI 53562	VICE PRESIDENT/SECRETARY 1.00	0.	0.	0.
TYSEN TRACHTE 5417 HONEYSUCKLE LANE OREGON, WI 53575	DIRECTOR 1.00	0.	0.	0.
TIFFANY TRACHTE 218 8TH ST. BROOKINGS, SD 57006	DIRECTOR 1.00	0.	0.	0.
AARON FUCHS 302 S BROOKS ST. MADISON, WI 53715	DIRECTOR 1.00	0.	0.	0.
THOMAS FUCHS 302 S BROOKS ST. MADISON, WI 53715	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF PART XV - LINE 1A STATEMENT 10
 LIST OF FOUNDATION MANAGERS

NAME OF MANAGER

RANDOLPH TRACHTE
NANCY TRACHTE

PORTFOLIO DETAIL

Security Description	Quantity	Market Price	Market Value	Cost Basis	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Current Yield	Estimated Annual Income
Cash and Cash Equivalents								
Cash								
Principal Cash			-33,356 58	-33,356 58		-1 7		
Income Cash			33,690 03	33,690 03		1 7		
Total Cash			\$333.45	\$333.45	\$0.00	0.0%		\$0.00
Taxable Cash Equivalents								
First American Government Obligation - 31846V203 Fund Class Y #3763	53,802 550	1 0000	53,802 55	53,802 55	0 00	2 7	0 09	46 32
Total Taxable Cash Equivalents			\$53,802.55	\$53,802.55	\$0.00	2.7%		\$46.32
Total Cash and Cash Equivalents			\$54,136.00	\$54,136.00	\$0.00	2.7%		\$46.32
Equity								
U.S. Equity								
Alphabet Inc Cl A - GOOGL	7 000	792 4500	5,547 15	5,664 33	-117 18	0 3	0 00	0 00
Amazon Com Inc - AMZN	13 000	749 8700	9,748 31	10,973 56	-1,225 25	0 5	0 00	0 00
Apple Inc - AAPL	54 000	115 8200	6,254 28	6,279 12	-24 84	0 3	1 97	123 12
AT&T Inc - T	122 000	42 5300	5,188 66	5,220 11	-31 45	0 3	4 61	239 12
Bank Of America Corp - BAC	458 000	22 1000	10,121 80	10,369 08	-247 28	0 5	1 36	137 40
Biogen, Inc - BILB	18 000	283 5800	5,104 44	5,530 50	-426.06	0 3	0 00	0 00

TRACHT FAMILy FOUNDATION AGENCY
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January 1, 2016 to December 31, 2016

PORTFOLIO DETAILS (Continued)

Security Description	Quantity	Market Price	Market Value	Cost Basis	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Current Yield	Estimated Annual Income
Boeing Co - BA	40 000	155 6800	6,227 20	5,461 96	765 24	0 3	3 65	227 20
Cardinal Health Inc - CAH	138 000	71 9700	9,931 86	10,486 88	-555 02	0 5	2 50	247 85
Celgene Corp - CELG	51 000	115 7500	5,903 25	5,346 33	556 92	0 3	0 00	0 00
Cisco Systems Inc - CSCO	167 000	30 2200	5,046 74	5,278 29	-231 55	0 3	3 44	173 68
Columbia Fds Ser Dividend Inc Cl Z - GSFTX	3,921 184	19 1200	74,973 04	73,343 26	1,629 78	3 7	1 94	1,454 76
Ovs Health Corporation - CVS	121 000	78 9100	9,548 11	10,490 18	-942 07	0 5	2 53	242 00
Delta Air Lines Inc - DAL	224 000	49 1900	11,018 56	8,911 10	2,107 46	0 5	1 65	181 44
Dollar Tree Inc - DLTR	61 000	77 1800	4,707 98	4,921 80	-213 82	0 2	0 00	0 00
Facebook Inc A - FB	41 000	115 0500	4,717 05	5,347 20	-630 15	0 2	0 00	0 00
Harbor Capital Aprction Inst - HACAX #2012	1,645 195	56 6500	93,200 30	95,000 00	-1,799 70	4 6	0 11	100 21
Home Depot Inc - HD	41 000	134 0800	5,497 28	5,255 38	241 90	0 3	2 06	113 16
Ishares Core S P Small Cap Etf - IJR	771 000	137 5200	106,027 92	83,613 99	22,413 93	5 3	1 21	1,288 34
J P Morgan Chase Co - JPM	101 000	86 2900	8,715 29	8,775 73	-60 44	0 4	2 22	193 92
Kroger Co - KR	181 000	34 5100	6,246 31	5,263 23	983 08	0 3	1 39	86 88
Marathon Petroleum Corp - MPC	239 000	50 3500	12,033 65	10,151 67	1,881 98	0 6	2 86	344 16



TRACHTE FAMILY FOUNDATION AGENCY
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PORTFOLIO DETAIL (continued)

Security Description	Quantity	Market Price	Market Value	Cost Basis	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Current Yield	Estimated Annual Income
Mastercard Inc - MA	138 000	103 2500	14,248 50	14,181 53	66 97	0 7	0 85	121 44
Microsoft Corp - MSFT	236 000	62 1400	14,665 04	13,753 14	911 90	0 7	2 51	368 16
Midcap Spdr Trust Series I E T F - MDY	359 000	301 7300	108,321 07	89,869 95	18,451 12	5 4	1 31	1,414 82
Raytheon Company - RTN	41 000	142 0000	5,822 00	5,871 71	-49 71	0 3	2 06	120 13
Schwab Charles Corp - SCHW	129 000	39 4700	5,091 63	5,140 64	-49 01	0 3	0 71	36 12
Spdr S P 500 Etf - SPY	667 000	223 5300	149,094 51	132,439 05	16,655 46	7 4	2 03	3,027 51
Starbucks Corp - SBUX	100 000	55 5200	5,552 00	5,325 00	227 00	0 3	1 80	100 00
T Rowe Price Mid Cap Growth Fd #64 - RPMGX	323 877	75 3700	24,410 61	25,000 00	-589 39	1 2	0 00	0 00
T Rowe Price Mid Cap Value Fund - TRMCX #115	873 210	29 0600	25,375 48	25,000 00	375 48	1 3	0 00	0 00
Unitedhealth Group Inc - UNH	47 000	160 0400	7,521 88	6,472 20	1,049 68	0 4	1 56	117 50
Vanguard Growth Index Fund - VUG Shares Etf	557 000	111 4800	62,094 36	62,043 00	51 36	3 1	1 39	861 68
Vanguard Value Index Fund Etf - VTV	921 000	93 0100	85,662 21	79,620 73	6,041 48	4 3	2 44	2,093 43
Wal Mart Stores Inc - WMT	85 000	69 1200	5,875 20	5,870 86	4 34	0 3	2 89	170 00

TRACHTE FAMILY FOUNDATION AGENCY
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PORTFOLIO DETAIL (continued)

Security Description	Quantity	Market Price	Market Value	Cost Basis	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Current Yield	Estimated Annual Income
Wells Fargo Special Mid Cap Value - WFMIX Fund Class Inst	1,956 385	36 0100	70,449 42	66,588 05	3,861 37	3 5	0 91	639 74
Total U.S. Equity			\$989,943.09	\$918,859.56	\$71,083.53	49.3%		\$14,223.77
Developed Foreign								
Cambiar Intl Equity Fund Ins - CAMYX #1209	2,903 425	23 9800	69,624.13	70,214 56	-590 43	3 5	1 76	1,225 25
Chubb Ltd - CB	43 000	132 1200	5,681 16	5,377 15	304 01	0 3	2 09	118 68
Harding Loevner International Equity - HLMIX Port Instl #201	3,716 003	17 8300	66,256 33	69,184 09	-2,927 76	3 3	0 98	646 58
Ishares Core Msci Eafe Etf - IEFA	1,282 000	53 6300	68,753 66	69,577 08	-823 42	3 4	2 96	2,037 10
Ishares Msci Eafe Growth Index Etf - EFG	368 000	63 6900	23,437.92	24,138 81	-700 89	1 2	2 20	514 83
Lyondellbasell Industries Cl A - LYB	63 000	85 7800	5,404 14	5,046 93	357 21	0 3	3 96	214 20
Magna Intl Inc Cl A - MGA	128 000	43 4000	5,555 20	5,471 40	83 80	0 3	2 30	128 00
T Rowe Price Intl Gr&Inc Fd - TRIGX #127	5,805 776	12 8100	74,371 99	74,928 03	-556 04	3 7	0 00	0 00
Total Developed Foreign			\$319,084.53	\$323,938.05	-\$4,853.52	15.9%		\$4,884.64
Total Equity			\$1,309,027.62	\$1,242,797.61	\$66,230.01	65.2%		\$19,108.41

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PORTFOLIO DETAILS (continued)

Security Description	Quantity	Market Price	Market Value	Cost Basis	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Current Yield	Estimated Annual Income
Fixed Income Taxable								
Taxable U.S.								
Baird Aggregate Bond Fund - BAGIX Institutional Shrs #72	13,850 944	10 7000	148,205 10	147,374 03	831 07	7 4	2 46	3,642 80
Standard & Poor's Rating N/A								
Doubleline Total Ret Bd I - DBLTX	14,218 709	10 6200	151,002 69	153,741 81	-2,739 12	7 5	3 76	5,673 26
Standard & Poor's Rating N/A								
Nuveen Preferred Securities Fund - NPSRX #1969	6,555 856	16 8200	110,269 50	109,745 02	524 48	5 5	5 81	6,411 63
Standard & Poor's Rating N/A								
Total Taxable U.S.			\$409,477.29	\$410,860.86	-\$1,383.57	20.4%		\$15,727.69
Taxable High Yield								
Nuveen Strategic Income I - FCBYX	14,395 393	10 5600	152,015 35	150,000 00	2,015 35	7 6	5 28	8,032 63
Standard & Poor's Rating N/A								
Total Taxable High Yield			\$152,015.35	\$150,000.00	\$2,015.35	7.6%		\$8,032.63
Taxable Hedged Fixed Income								
Eaton Vance Global MacRo Fd Cl I - EIGMX	2,018 215	9 0400	18,244 66	18,305 21	-60 55	0 9	4 03	734 63
Standard & Poor's Rating N/A								
Total Taxable Hedged Fixed Income			\$18,244.66	\$18,305.21	-\$60.55	0.9%		\$734.63
Total Fixed Income Taxable			\$579,737.30	\$579,166.07	\$571.23	28.9%		\$24,494.95

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PORTFOLIO DETAIL (CONTINUED)						
Security Description	Quantity	Market Price	Market Value	Cost Basis	Unrealized Gain/Loss	Percent of Total Portfolio
Real Estate						
U.S. Listed Real Estate						
American Campus Communities - ACC	186 000	49 7700	9,257 22	8,961 65	295 57	0 5
Nuveen Real Estate Secs I - FARCX	1,360 007	22 0700	30,015 35	32,259 36	-2,244 01	1 5
Vanguard Reit Etf - VNQ	326 000	82 5300	26,904 78	27,188 85	-284 07	1 3
Total U.S. Listed Real Estate			\$66,177.35	\$68,409.86	-\$2,232.51	3.3%
Total Real Estate			\$66,177.35	\$68,409.86	-\$2,232.51	3.3%
Total Assets			\$2,009,078.27	\$1,944,509.54	\$64,568.73	100.0%
Estimated Current Yield						2.30

PORTFOLIO DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation. For additional information, please contact your U.S. Bank representative.

Cost adjustments made to previously reported sales to reflect the impact of IRS wash sale rules may result in adjustments to reported year-to-date losses. Consequently, this period's beginning cost basis may differ from the basis reported in the prior period. The gain and loss figures reported on this statement are provided for informational purposes only and should not be used for tax reporting purposes. Please consult with your tax or legal advisor for questions concerning your personal tax or financial situation.