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: CAROTHERS CONSTRUCTION CHARITABLE	**A Employer identification number** 64-0892836
Number and street (or P O box number if mail is not delivered to street address): P O BOX 189 — Room/suite:	**B** Telephone number (see instructions) 662-473-2525
City or town, state or province, country, and ZIP or foreign postal code: TAYLOR MS 38673	**C** If exemption application is pending, check here ▶ ☐
Foreign country name / Foreign province/state/county / Foreign postal code	**D** 1. Foreign organizations, check here ▶ ☐
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change	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)* ▶ $ 3,631,010. — **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) (see instructions))*

	Line	Description	(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 (attach schedule)	368,566.			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	56,598.	56,598.	56,598.	
	4	Dividends and interest from securities	52,008.	52,008.	52,008.	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	(19,705.)			
	b	Gross sales price for all assets on line 6a 698,557.				
	7	Capital gain net income (from Part IV, line 2)				
	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) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	457,467.	108,606.	108,606.	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	500.			500.
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	1,278.			1,278.
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	5,277.			5,277.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	7,055.			7,055.
	25	Contributions, gifts, grants paid	395,708.			395,708.
	26	**Total expenses and disbursements.** Add lines 24 and 25	402,763.			402,763.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	54,704.			
	b	**Net investment income** (if negative, enter -0-)		108,606.		
	c	**Adjusted net income** (if negative, enter -0-)			108,606.	

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Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	378,367.	278,434.	278,434.
	3 Accounts receivable ▶			
	Less. allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less· allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ 217,555.			
	Less allowance for doubtful accounts ▶	187,555.	217,555.	216,104.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U S and state government obligations (attach schedule)	188,389.	237,819.	227,635.
	b Investments—corporate stock (attach schedule)	1,002,248.	1,301,741.	1,491,951.
	c Investments—corporate bonds (attach schedule)	1,742,541.	1,518,255.	1,416,886.
	11 Investments—land, buildings, and equipment. basis ▶			
	Less. accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶			
	Less. accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	3,499,100.	3,553,804.	3,631,010.
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 (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)			
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	3,499,100.	3,553,804.	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see instructions)	3,499,100.	3,553,804.	
	31 **Total liabilities and net assets/fund balances** (see instructions)	3,499,100.	3,553,804.	

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	3,499,100.
2 Enter amount from Part I, line 27a	2	54,704.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	3,553,804.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,553,804.

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				
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				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	

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			
2014			
2013			
2012			
2011			

2	**Total** of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	3,367,905.
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,086.
7	Add lines 5 and 6	7	1,086.
8	Enter qualifying distributions from Part XII, line 4	8	402,763.

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	1,086.
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	1,086.
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	1,086.
6	Credits/Payments:		
a	2016 estimated tax payments and 2015 overpayment credited to 2016 — 6a		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 1,086.		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments. Add lines 6a through 6d	7	1,086.
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
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)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. **(1)** On the foundation. ▶ $ ________ **(2)** On foundation managers. ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *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?	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) ▶			
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)*

			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 ▶

14 The books are in care of ▶ SEAN CAROTHERS Telephone no ▶ 662-473-2525

Located at ▶ PO BOX 189 TAYLOR MS ZIP+4 ▶ 38673

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 |

			Yes	No
16	At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ▶			

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

	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly):				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		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 ▶ 20____, 20____, 20____, 20____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions.)		2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2016 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016.)*		3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?		4b		X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **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? ☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b**

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

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

(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
SEAN B CAROTHERS PO BOX 189	PRESIDENT 10	0		
SEAN B CAROTHERS PO BOX 189	SECRETARY 10	0		
SEAN B CAROTHERS PO BOX 189	TREASURER 10	0		

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

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

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

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

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

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 HERES LIFE AFRICA DECATUR TX	160,000.
2 FELLOWSHIP OF CHRISTIAN ATHLETES RIDGELAND MS	91,900.
3 COMPASSION MINISTRIES WATER VALLEY MS	32,800.
4 BRANCH OF HOPE WATER VALLEY MS	18,000.

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

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	3,183,544.
b	Average of monthly cash balances	1b	235,649.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	3,419,193.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	3,419,193.
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see instructions)	4	51,288.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,367,905.
6	**Minimum investment return.** Enter 5% of line 5	6	168,395.

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	168,395.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	1,086.		
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	1,086.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	167,309.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	167,309.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	167,309.

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	402,763.
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	402,763.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	1,086.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	401,677.

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					167,309.
2 Undistributed income, if any, as of the end of 2016					
a Enter amount for 2015 only					
b Total for prior years. 20___, 20___, 20___					
3 Excess distributions carryover, if any, to 2016.					
a From 2011	158,725.				
b From 2012	144,145.				
c From 2013	126,188.				
d From 2014	120,951.				
e From 2015	295,456.				
f **Total** of lines 3a through e		845,465.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ $ 402,763.					
a Applied to 2015, but not more than line 2a					
b Applied to undistributed income of prior years (Election required—see instructions)					
c Treated as distributions out of corpus (Election required—see instructions)					
d Applied to 2016 distributable amount					167,309.
e Remaining amount distributed out of corpus		235,454.			
5 Excess distributions carryover applied to 2016. *(If an amount appears in column (d), the same amount must be shown in column (a).)*					
6 **Enter the net total of each column as indicated below:**					
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5		1,080,919.			
b Prior years' undistributed income. Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d Subtract line 6c from line 6b. Taxable amount—see instructions					
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount—see instructions					
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017					
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)					
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)		158,725.			
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a		922,194.			
10 Analysis of line 9:					
a Excess from 2012	144,145.				
b Excess from 2013	126,188.				
c Excess from 2014	120,951.				
d Excess from 2015	295,456.				
e Excess from 2016	235,454.				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling . . . ▶

b Check box to indicate whether the foundation is a private operating foundation described in section [X] 4942(j)(3) or [ ] 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	108,606.	127,846.	120,637.	108,831.	465,920.
b 85% of line 2a	92,315.	108,669.	102,541.	92,506.	396,031.
c Qualifying distributions from Part XII, line 4 for each year listed	7,055.	465,256.	288,059.	293,812.	1,054,182.
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	7,055.	465,256.	288,059.	293,812.	1,054,182.
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	112,263.	114,052.	112,209.	112,475.	450,999.
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).)

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

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

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

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

SEAN CAROTHERS 662-473-2525 PO BOX 189 TAYLOR MS 38673

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

NARRATIVE EXPLAINING NEED, BENEFIT TO COMMUNITY, AMOUNT NEEDED, ETC

c Any submission deadlines:

NONE

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

NONE

Part XV Supplementary Information (continued)

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

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*				
MISSIONS TO THE WORLD 1390 NORTH STATE ST 39202 MS JACKSON		ACTIVE	MISSION SUPPORT	1,000.
SNOWMASS CHAPEL 5307 OWL CREEK RD 81615 CO SNOWMASS VILLA		ACTIVE	OPERATING EXP	12,000.
CAMPUS CRUSADE FOR CHRI 100 LAKE HART DRIVE 32832 FL ORLANDO		ACTIVE	OPERATING EXP	7,600.
FRENCH CAMP ACADEMY ONE FINE PLACE 39745 MS FRENCH CAMP		ACTIVE	OPERATING EXP	6,000.
DANITA'S CHILDREN 5950 HAZELTINE DR 510 32822 FL ORLANDO		ACTIVE	CHILD SPONSOR	1,500.
COMPASSION INTERNATIONA 12290 VOYAGER PARKWAY 80921 CO COLORADO SPRIN		ACTIVE	CHILD SPONSOR	600.
THE PANTRY 713 MOLLY BARR RD 38655 MS OXFORD		ACTIVE	FOOD PANTRY	6,000.
PRECEPT MINISTRIES PO BOX 182218		ACTIVE	OPERATING EXP	1,200.
Total . . . . ▶ 3a				95,708.
b *Approved for future payment*				
Total . . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions)
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					56,598.
4 Dividends and interest from securities					52,008.
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					(19,705.)
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)					88,901.

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 88,901.

(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) (See instructions)
3,4,8	RETURN ON INVESTMENTS AWAITING TO BE CONTRIBUTED TO THE NEEDY
11	

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

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

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

Sean B Carothers | 6/21/17 | President

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
Robert J Scheibelhut	Robert J Scheibelhut CPA	6/7/2017		P00135623
Firm's name ▶ BaileyKaufman&Scheibelhut PLLC			Firm's EIN ▶ 42-1660608	
Firm's address ▶ 288 Germantown Bend Cove Cordova TN 38018-7237			Phone no 901-754-1616	

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
CAROTHERS CONSTRUCTION CHARITABLE	64-0892836

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
CAROTHERS CONSTRUCTION CHARITABLE	64-0892836

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	CAROTHERS CONSTRUCTION PO BOX 189 TAYLOR MS 38673- Foreign State or Province Foreign Country	$ 368,566.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
	Foreign State or Province: Foreign Country	$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
	Foreign State or Province: Foreign Country	$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
	Foreign State or Province. Foreign Country	$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
	Foreign State or Province: Foreign Country	$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
	Foreign State or Province Foreign Country	$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

US 990-PF Grants and Contributions Paid During the Year 2016

Recipient name and address	If an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
OPERATION MOBILIZATION 285 LYNNWOOD TYRONE GA 30290		ACTIVE	OPERATING EXP	12,000.
MEDICAL MINISTRIES CLIN 205 COMMERCE DRIVE OXFORD MS 38655		ACTIVE	OPERATING EXP	6,000.
GREENWOOD UTILTIES 202 WRIGHT PLACE GREENWOOD MS 38930		ACTIVE	OPERATING EXP	2,400.
FIRST UNITED METH CHURC 603 MAIN STREET WATER VALLEY MS 38965		ACTIVE	MISSION SUPPORT	5,000.
FIRST BAPTIST CHURCH 800 N MAIN STREET WATER VALLEY MS 38965		ACTIVE	OPERATING EXP	3,600.
FELLOWSHIP OF CHRISTIAN PO BOX 449 RIDGELAND MS 39158		ACTIVE	OPERATING EXP	91,900.
DOORS OF HOPE 924 VAN BUREN AVE OXFORD MS 38655		ACTIVE	OPERATING EXP	16,008.
HERE'S LIFE AFICA 601 W MAIN ST DECATUR TX 76234		ACTIVE	OPERATING EXP	160,000.
COMPASSION MINISTRIES 341 CR 485 WATER VALLEY MS 38965		ACTIVE	FOOD PANTRY	32,800.
COMMUNITY FOOD PANTRY 500 E WILSON RD GREENWOOD MS 38930		ACTIVE	FOOD PANTRY	3,600.
BRANCH OF HOPE 11709 HIGHWAY 7 WATER VALLEY MS 38965		ACTIVE	OPERATING EXP	18,000.
MISCEALLANEOUS		ACTIVE	VARIOUS	8,500.
Total				359,808.

US 990-PF Accounting Fees 2016

Description	Expenses per books	Net investment income	Adjusted net income	Charitable purposes
BAILEY KAUFMAN & SCHEIBELHUT PLL	500.			500.
	500.			500.

US 990-PF Taxes 2016

Description	Expenses per books	Net investment income	Adjusted net income	Charitable purposes
FEDERAL EXCISE TAX	1,278.			1,278.
	1,278			1,278

US 990-PF **Other Expenses** **2016**

Description	Expenses per books	Net investment income	Adjusted net income	Charitable purposes
MANAGEMENT FEES	4,535.			4,535.
ADR FEES	81.			81.
FOREIGN TAXES	628.			628.
PUBLICATION	33.			33.
	5,277			5,277

Other Notes and Loans Receivable as of Year End

US 990-PF — **990-PF: Page 2, Line 7 (Short Schedule)** — **2016**

Name of organization	Balance due
CHARLIE ESTERRA	37,555.
RANDY BAIN	180,000.
	217,555

Stocks, Bonds, Mutual Funds Sold - 2016

	Bought	Sold	# Shares	Cost	Sales Price	Gain/(Loss)
American Growth Func	3/27/2006	1/5/2017	678.0480	22160.18	27304.98	5,144.80
Calamos Growth	3/27/2006	1/5/2017	915.739	45,707.76	27,920.88	(17,786 88)
Matthews Asian Growtl	3/27/2006	1/5/2017	1002.2230	17,709 16	15,774.99	(1,934 17)
Neuberger Berman Ge	3/27/2006	1/5/2017	727.362	36,140.19	38,164.68	2,024.49
Perkins Mid Cap	3/27/2006	1/5/2017	1,886.642	41,923.48	28,658 09	(13,265 39)
Royce Total Return	3/27/2006	1/5/2017	2,852 507	38,710.84	33,406.38	(5,304.46)
Pine Creek Timber/We	9/12/2011	2/23/2017	Fraction	9.11	9 39	0.28
Goldman Sachs Group	8/16/2011	3/22/2017		90,132.41	100,000.00	9,867.59
FHLMC	5/29/2015	3/29/2017		200005.00	200,000.00	(5.00)
Lincoln Cnty Miss Hosp	9/20/2012	4/1/2016		50,052.78	50,000 00	(52 78)
CPFL Energia SA Spon		5/31/2016	Fraction	7.84	3.47	(4 37)
California Res Corp co	3/28/2017	6/1/2017	3.0000	0.00	4 56	4.56
GNMA CMO 2011	3/21/2012	7/20/2016		6,383.89	0.00	(6,383.89)
Columbia Pipeline Groı	7/2/2015	7/1/2016	295.00	0 00	7,522.50	7,522.50
American Express	8/4/2006	8/10/2016		50,642.50	50,075.00	(567.50)
Bank Oklahoma	5/22/2007	8/15/2016		99,885.00	100,000.00	115.00
Fannie Mae Aces CMC	2/29/2012	9/26/2016		-920.53	0.00	920.53
R R Donnelley	9/12/2011	10/4/2016	Fraction	7.88	8.02	0.14
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
				698,557.49	678,852 94	-19,704.55

Carothers Construction Charitable Foundation

Mutual Funds Stock	Bought	# Shares	Cost Per Share	Cost	Current Price per Share	Estimated Market Value 12/31/2016
Stock Funds						
Fidelity Low Priced Stock	1/5/2017	351 347	46 32	16,275 00	49 48	17,384 65
FMI Large Cap Fund	1/5/2017	1,907 492	18 18	34,670 01	19 72	37,615 74
Gabelli Small Cap Growth	1/5/2017	156 014	43 81	6,834 99	51 43	8,023 80
American Growth Fd of America	3/27/2006	445 869	32 68	14,572 04	41 77	18,623 95
JP Morgan Equity Income Fund	1/5/2017	2,664 371	13 01	34,670 00	14 96	39,858 99
JP Morgan Large Cap Growth	1/5/2017	1,033 410	33 55	34,670 00	31 60	32,655 76
Clearbridge Appreciation Class A	1/5/2017	1,787 378	19 40	34,669 99	20 97	37,481 32
MFS International Value Fund	1/5/2017	861 661	33 34	28,725 00	34 90	30,071 97
Matthews Asian	3/27/2006	1,796 921	16 70	30,000 32	14 94	26,846 00
Principal Mid Cap Fund Class A	1/5/2017	827 732	19 66	16,275 00	22 11	18,301 15
Undiscovered Manager Behavioral Value I	1/5/2017	124 795	52 17	6,510 02	63 14	7,879 56
American Washington Mutual	1/5/2017	930 123	37 27	34,670 00	40 81	37,958 32
				292,542 37		312,701 20
Bond Funds						
Fidelity Total Bond Fund	7/18/2012	11,119 276	11 17	124,207 92	10 52	116,974 78
Loomis Sayles Bond Fund	1/12/2011	9,007 750	14 47	130,357 75	13 56	122,145 09
Metropolitan West Total Return	1/5/2017	11,286 453	10 63	120,000 00	10 53	118,846 35
Pimco Total	1/12/2011	10,996 695	10 88	119,685 50	10 03	110,296 85
				494,251 17		468,263 07
				786,793 54		780,964 28
Exchange Traded Products						
iShares Transportation	2/4/2017	24 000	124 45	2,986 83	162 84	3,908 16
iShares Core S&P Mid Cap ETF	1/7/2017	242 000	134 52	32,553 64	165 34	40,012 28
iShares S&P Mid Cap 400 Growth	1/7/2017	105 000	155 13	16,289 06	182 20	19,131 00
iShares S&P Mid Cap 400 Value	1/7/2017	143 000	113 16	16,181 86	145 21	20,765 03
iShares S&P Small Cap	1/7/2017	29 000	121 02	3,509 67	150 00	4,350 00
				71,521 06		88,166 47
				858,314 60		

Equities Stock	Bought	# Shares	Cost Per Share	Cost	Current Price per Share	Estimated Market Value 12/31/2016
Invesco LTD Shares	2/12/2014	86	35 75	3,074 88	30 34	2,609 24
Medtronic Plc	4/11/2012	79	38 74	3,060 69	71 23	5,627 17
Aflac Inc	4/11/2011	67	45 46	3,045 57	69 60	4,663 20
At&t Inc	4/11/2012	237	29 51	6,994 41	42 53	10,079 61
Altria Group Inc	9/12/2011	233	27 30	6,360 62	67 62	15,755 46
Boeing Company	4/11/2012	41	74 89	3,070 47	155 68	6,382 88
Bristol Myers Squibb Co	9/12/2011	212	29 98	6,354 88	58 44	12,389 28
British Amn Tobaco	4/11/2012	30	102 59	3,077 60	112 67	3,380 10
CPFL Energia S A Adr	9/12/2011	258	24 56	6,336 36	15 40	3,973 20
Cinn Fincl Crp Ohio	9/12/2011	230	27 57	6,341 05	75 75	17,422 50
Coco Cola	4/11/2012	82	37 26	3,055 30	41 46	3,399 72
Colgate Palmolive	4/11/2012	62	49 74	3,083 97	65 44	4,057 28
Commerce BancShares Inc	11/25/2013	1,274 000	39 69	50,565 54	57 81	73,649 94
Diageo	4/11/2012	31	97 97	3,037 16	103 94	3,222 14
Dominion Resources Inc	2/12/2014	43	71 35	3,068 19	76 59	3,293 37
R R Donnelley Sons	9/12/2011	148	42 55	6,297 89	16 32	2,415 36
Donnelley Financial Solutions Inc	10/3/2016	55	0 00	-	22 98	1,263 90
Duke Energy Corp	9/12/2011	112	56 79	6,360 73	77 62	8,693 44
Emerson Elec Co	4/11/2012	59	52 09	3,073 15	55 75	3,289 25
Entergy Corp New	9/12/2011	99	64 30	6,366 10	73 47	7,273 53
Eversource Energy	4/11/2012	82	37 52	3,076 62	55 23	4,528 86
Fly Leasing LTD	9/12/2011	532	12 08	6,427 13	13 30	7,075 60
Illinois Tool Works	4/11/2012	54	57 24	3,090 74	122 46	6,612 84
Intel Corp	4/11/2012	108	28 50	3,078 16	36 27	3,917 16
Irsa Propiedades	9/12/2011	344	19 76	6,798 42	47 37	16,295 28
Johnson & Johnson	4/11/2012	46	66 34	3,051 50	115 21	5,299 66
LSC Communications Inc	10/3/2016	55	0 00	-	29 68	1,632 40
Leggett & Platt Inc	9/12/2011	289	21 95	6,342 98	48 88	14,126 32
Eli Lilly & Co	9/12/2011	172	36 92	6,350 34	73 55	12,650 60
Merck and Co Inc	9/12/2011	193	32 88	6,346 47	58 87	11,361 91
Microsoft Corp	12/9/2013	77	39 92	3,073 60	62 14	4,784 78
Mobile Telesys OJSC ADR	9/12/2011	410	15 57	6,382 70	9 11	3,735 10
New York Community Bancorp	9/16/2013	995	15 49	15,416 10	15 91	15,830 45
Nextera Energy Inc	4/11/2012	48	63 72	3,058 64	119 46	5,734 08
Nisource Inc	9/12/2011	295	21 52	6,349 73	22 14	6,531 30
Nordstrom Inc	8/15/2013	52	60 99	3,171 53	47 93	2,492 36
Novartis	4/11/2012	55	55 74	3,065 65	72 84	4,006 20
Occidental Pete	5/11/2012	35	87 51	3,062 80	71 23	2,493 05
Paychex, Inc	9/12/2011	238	26 69	6,353 12	60 88	14,489 44
Pearson	4/11/2012	167	18 37	3,068 33	9 99	1,668 33
Pitney Bowes Inc	9/12/2011	321	19 78	6,349 37	15 19	4,875 99
Plains All American Pipeline LP	9/12/2011	210	25 01	5,251 14	32 29	6,780 90
Qualcomm Inc	7/28/2014	38	84 61	3,215 36	65 20	2,477 60
Reynolds American Inc	6/12/2015	100	0 00	-	56 04	5,604 00
Roche Holding Limited	6/2/2014	90	37 93	3,413 26	28 61	2,574 63
Southern Company	9/12/2011	153	41 44	6,340 60	49 19	7,526 07
Stanley Black & Decker Inc	8/15/2013	36	89 31	3,215 33	114 69	4,128 84
Telefonica SA Spain	9/12/2011	337	18 82	6,342 03	9 20	3,100 40
Toronto Dominion Bank	9/8/2014	61	53 35	3,254 35	49 34	3,009 74

Total S A	9/20/2011	500	45 40	22,701 69	50 97	25,485 00
Travelers Companies Inc	2/12/2014	36	84 90	3,056 55	122 42	4,407 12
Union Pacific Corp	6/2/2014	38	99 55	3,782 96	103 68	3,939 84
United Parcel Service	4/11/2012	38	81 29	3,088 86	114 64	4,356 32
United Techs Corp	4/11/2012	37	83 26	3,080 67	109 62	4,055 94
V F Corp	2/25/2013	72	41 26	2,970 38	53 35	3,841 20
Valley National Bancorp	9/11/2013	1460	10 52	15,360 61	11 64	16,994 40
Verizon Communications	9/12/2011	179	35 37	6,332 11	53 38	9,555 02
WEC Energy Group Inc	6/30/2015	146	0 00	-	58 65	8,562 90
Yum China Holdings Inc	11/1/2016	40	0 00	-	63 33	2,533 20
Yum Brands Inc	12/9/2013	40	76 56	3,062 33	26 12	1,044 80
		11,452 00		331,006 72		462,960 20
Preferreds						
Hancock Hldg Co NT 45	5/31/2016	950 000	26 35	25,034 69	24 39	23,170 50
PNC Financial Services Group Inc	6/15/2016	850 000	29 24	24,857 55	27 29	23,196 50
U S Bancorp	8/22/2013	1,672 000	26 02	43,497 54	28 29	47,300 88
				93,389 78		93,667 88
				$ 424,396 50		$ 556,628 08

Corporate/Government Bonds	Purchase Date	Maturity Date	Face Amount	Per Unit Cost	Total Cost	Coupon	Estimated Market Value 12/31/2016
FNMA	4/18/2006	1/1/2021	$ 203,088 00	99 468749	$ 5,622 51	5 500%	6,185 91
FNMA Pool #AN2930	10/26/2016	11/1/2021	$ 200,000 00	101 000	$ 202,266 67	1 920%	196,752 00
FNMA Pool #MA1475	5/28/2013	6/1/2023	$ 150,000 00	51 105	$ 76,656 88	2 000%	74,306 63
FNMA CMO 2012	3/30/2012	2/25/2025	$ 150,000 00	76 360	$ 114,539 38	3 500%	107,077 15
FHLMC	4/11/2014	4/15/2025	$ 100,000 00	78 946	$ 78,946 22	3 000%	77,776 01
FNMA CMO 2011	6/30/2011	2/25/2026	$ 100,000 00	103 781	$ 7,709 89	3 170%	3,716 80
FNMA Pool #AT5689	5/28/2013	6/1/2028	$ 150,000 00	57 483	$ 86,224 46	2 000%	84,092 35
GNMA Remic Ser 2014-83	8/28/2015	11/20/2028	$ 50,000 00	100 125	$ 32,568 75	1 850%	32,161 44
FNMA Pool #AS5094	6/9/2015	6/1/2030	$ 200,000 00	102 000	$ 167,265 73	2 500%	163,476 31
Morgan Stanley Mtg	8/2/2006	2/25/2036	$ 50,000 00	99 71094	$ 19,462 69	6 047%	10,653 48
Bear Stearns Alt-A	8/2/2006	3/25/2036	$ 65,000 00	99 60156	$ 24,696 23	5 994%	11,797 41
FNMA Pool #AL8292	4/21/2017	12/1/2044	$ 250,000 00	104 63555	$ 209,271 09	2 892%	204,399 70
					$ 1,025,230 50		972,395 19
Corporate Bonds							
BB&T Corporation	5/18/2012	3/22/2017	$ 100,000 00	101 819	$ 101,819 00	2 150%	100,139 00
Bear Stearns & Cos Inc	4/25/2013	2/1/2018	$ 100,000 00	126 767	$ 126,767 36	7 250%	105,824 00
General Electric Cap	4/25/2013	5/1/2018	$ 100,000 00	121 920	$ 121,919 88	5 625%	105,540 00
					$ 350,506 24		311,503 00
Municipal Bonds							
Lincoln Cnty Miss Hosp	9/20/2012	4/1/2017	$ 50,000 00	100 535	$ 50,330 17	2 375%	50,140 50
KY Asset/Liability Cmmn	4/10/2012	4/1/2018	$ 170,000 00	34 009	$ 57,815 76	3 165%	48,878 09
Mississippi St Go Ref Bds Ser 2012E	4/11/2017	12/1/2018	$ 50,000 00	30 069	$ 51,116 54	169 500%	50,059 50
					$ 159,262 47		149,078 09
US Treasury/Agency Securities							
FHLB	7/8/2014	9/13/2019	$ 150,000 00	114 430	$ 171,644 75	4 500%	161,866 50
FHLB	12/19/2016	11/29/2021	$ 50,000 00	98 762	$ 49,430 48	1 875%	49,678 00
					$ 221,075 23		211,544 50
					$ 1,654,627 73		$ 1,644,520 78

Other Investments	Bought	# Shares	Cost Per Share	Cost	Current Price per Share	Estimated Market Value 12/31/2016
HCP Inc	9/12/2011	174	36 47	6,345 89	29 72	5,171 28
Quality Care Pptys Inc	11/1/2016	34 00	-		15 50	527 00
Weyerhaeuser Co Com	9/12/2011	278	22 77	6,329 98	30 09	8,365 02
WellTower Inc	9/12/2011	125	50 84	6,354 38	66 93	8,366 25
				$ 19,030 25		$ 22,429 55
Cash						$ 43,763 24
				3,057,815 79		$ 3,136,472 40
Wells Fargo Annuity for Randy Bain	6/5/2015			180,000 00		178,548 96