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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.
▶ Go to *www.irs.gov/Form990PF* for instructions and the latest information.

OMB No 1545-0052

2017

Open to Public Inspection

For calendar year 2017 or tax year beginning , and ending

Name of foundation: DR HENRY HOBART RUGER TRUST

A Employer identification number: 45-6071291

Number and street (or P O box number if mail is not delivered to street address): PO BOX 838 — Room/suite:

B Telephone number (see instructions): 701-662-4077

City or town, state or province, country, and ZIP or foreign postal code: DEVILS LAKE ND 58301

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 946,029

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))

03
04

		(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)				
2	Check ▶ ☒ if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	216	216	216	
4	Dividends and interest from securities	20,885	20,885	20,885	
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	33,346			
b	Gross sales price for all assets on line 6a 248,077				
7	Capital gain net income (from Part IV, line 2)		33,346		
8	Net short-term capital gain			2,538	
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	54,447	54,447	23,639	
Operating and Administrative Expenses 13	Compensation of officers, directors, trustees, etc	10,000	2,500		7,500
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) SEE STMT 1	1,140			1,140
b	Accounting fees (attach schedule) STMT 2	1,690			1,690
c	Other professional fees (attach schedule) STMT 3	11,578	11,578		
17	Interest				
18	Taxes (attach schedule) (see instructions) STMT 4	659	659		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings	1,000			1,000
22	Printing and publications				
23	Other expenses (att sch) STMT 5	509	509		
24	**Total operating and administrative expenses.** Add lines 13 through 23	26,576	15,246	0	11,330
25	Contributions, gifts, grants paid	38,667			38,667
26	Total expenses and disbursements Add lines 24 and 25	65,243	15,246	0	49,997
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-10,796			
b	**Net investment income** (if negative, enter -0-)		39,201		
c	**Adjusted net income** (if negative, enter -0-)			23,639	

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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	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash – non-interest-bearing	3,798	11,211	11,211
	2	Savings and temporary cash investments	25,110	26,137	26,137
	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 (att. schedule) ▶			
		Less allowance for doubtful accounts ▶ 0			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U S and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) SEE STMT 6	156,800	123,234	206,510
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) SEE STATEMENT 7	602,468	616,798	702,171
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶)			
	16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)	788,176	777,380	946,029
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)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	788,176	777,380	
	30	**Total net assets or fund balances** (see instructions)	788,176	777,380	
	31	**Total liabilities and net assets/fund balances** (see instructions)	788,176	777,380	

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	788,176
2	Enter amount from Part I, line 27a	2	-10,796
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	777,380
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	777,380

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P – Purchase D – Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	PUBLICLY TRADED SECURITIES	P		
b	PUBLICLY TRADED SECURITIES	P		
c	PUBLICLY TRADED SECURITIES	P		
d	WELLS FARGO			
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	41,010		38,472	2,538
b	184,896		162,117	22,779
c	21,159		14,142	7,017
d	1,012			1,012
e				

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

	(i) FMV 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				2,538
b				22,779
c				7,017
d				1,012
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	33,346
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	2,538

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))
2016	49,052	892,353	0.054969
2015	56,356	965,819	0.058350
2014	65,332	1,027,640	0.063575
2013	46,966	1,014,957	0.046274
2012	42,906	988,836	0.043390

2	**Total** of line 1, column (d)	2	0.266558
3	Average distribution ratio for the 5-year base period – divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years	3	0.053312
4	Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	926,709
5	Multiply line 4 by line 3	5	49,405
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	392
7	Add lines 5 and 6	7	49,797
8	Enter qualifying distributions from Part XII, line 4	8	49,997

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b	1	392
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	392
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	392
6	Credits/Payments.		
a	2017 estimated tax payments and 2016 overpayment credited to 2017 — 6a		
b	Exempt foreign organizations – tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	
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	392
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 2018 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 the 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? N/A	1c		
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? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered See instructions ▶ ND			
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 2017 or the taxable year beginning in 2017? 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

2

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 ▶ N/A

14 The books are in care of ▶ JOHN T TRAYNOR Telephone no ▶ 701-662-4077
PO BOX 838
Located at ▶ DEVILS LAKE ND ZIP+4 ▶ 58301

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 2017, 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	N/A		1b		
	Organizations relying on a current notice regarding disaster assistance, check here	▶ ☐				
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2017?	N/A		1c		
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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017?	☐ 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)	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 ▶ 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 2017 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 2017)	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 2017?			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: X (No)
Organizations relying on a current notice regarding disaster assistance, check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No
If "Yes," attach the statement required by Regulations section 53 4945–5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? — 6b: X (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? N/A — 7b

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

1 List all officers, directors, trustees, and 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
JOHN T TRAYNOR, PO BOX 838, DEVILS LAKE ND 58301	TRUSTEE 2 00	10,000	0	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 ▶ 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. 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 N/A	
2	
3	
4	

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 N/A	
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	904,232
b	Average of monthly cash balances		1b	36,589
c	Fair market value of all other assets (see instructions)		1c	0
d	**Total** (add lines 1a, b, and c)		1d	940,821
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	940,821
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)		4	14,112
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	926,709
6	**Minimum investment return.** Enter 5% of line 5		6	46,335

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	46,335
2a	Tax on investment income for 2017 from Part VI, line 5	2a 392		
b	Income tax for 2017 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	392
3	Distributable amount before adjustments Subtract line 2c from line 1		3	45,943
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	45,943
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	45,943

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	49,997
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	49,997
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	392
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	49,605

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 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7					45,943
2 Undistributed income, if any, as of the end of 2017					
a Enter amount for 2016 only					
b Total for prior years 20____ , 20____ , 20____					
3 Excess distributions carryover, if any, to 2017					
a From 2012					
b From 2013					
c From 2014					
d From 2015					
e From 2016	3,251				
f Total of lines 3a through e		3,251			
4 Qualifying distributions for 2017 from Part XII, line 4 ▶ $ 49,997					
a Applied to 2016, 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 2017 distributable amount					45,943
e Remaining amount distributed out of corpus		4,054			
5 Excess distributions carryover applied to 2017 (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		7,305			
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 2016 Subtract line 4a from line 2a Taxable amount – see instructions					
f Undistributed income for 2017 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018					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)					
8 Excess distributions carryover from 2012 not applied on line 5 or line 7 (see instructions)					
9 **Excess distributions carryover to 2018.** Subtract lines 7 and 8 from line 6a		7,305			
10 Analysis of line 9					
a Excess from 2013					
b Excess from 2014					
c Excess from 2015					
d Excess from 2016	3,251				
e Excess from 2017	4,054				

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 2017, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2017	(b) 2016	(c) 2015	(d) 2014	(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					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test – enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test – enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

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

N/A

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

N/A

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 , to individuals or organizations under other conditions, complete items 2a, b, c, and d See instructions

a The name, address, and telephone number or email address of the person to whom applications should be addressed

JOHN T TRAYNOR 701-662-4077
PO BOX 838 DEVILS LAKE ND 58301

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

SEE ATTACHED APPLICATION

c Any submission deadlines

VARIOUS

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

SEE STATEMENT 8

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* SEE STATEMENT 9				38,667
Total			▶ 3a	38,667
b *Approved for future payment* N/A				
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					216
4 Dividends and interest from securities					20,885
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					33,346
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		0	54,447

13 **Total.** Add line 12, columns (b), (d), and (e) 13 54,447

(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)
N/A	

DAA

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) (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

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

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

b If "Yes," complete the following schedule

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

Sign Here

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

May the IRS discuss this return with the preparer shown below? See instructions ☐ Yes ☐ No

[signature] May 9, 2018 TRUSTEE

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
STEVEN D BRITSCH, CPA	[signature], CPA	05/09/18	

Firm's name ▶	BRITSCH & ASSOCIATES, PC	PTIN	P00166571
Firm's address ▶	415 6TH AVE NE DEVILS LAKE, ND 58301	Firm's EIN ▶	20-1746221
		Phone no	701-662-8724

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL SERVICES	$ 1,140	$	$	$ 1,140
TOTAL	$ 1,140	$ 0	$ 0	$ 1,140

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TAX PREPERATION	$ 1,690	$	$	$ 1,690
TOTAL	$ 1,690	$ 0	$ 0	$ 1,690

Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INVESTMENT FEES	$ 11,578	$ 11,578	$	$
TOTAL	$ 11,578	$ 11,578	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FEDERAL INCOME TAX	$ 127	$ 127	$	$
FOREIGN TAXES PAID	532	532		
TOTAL	$ 659	$ 659	$ 0	$ 0

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES	$	$	$	$
INVESTMENT EXPENSES	509	509		
TOTAL	$ 509	$ 509	$ 0	$ 0

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
AFFILIATED MANAGERS GROUP, INC	$ 3,953	$ 2,622	COST	$ 5,131
ALPHABET INC	3,267	3,267	COST	7,325
AMERIPRISE INFL INC	5,023	3,629	COST	5,762
APPLE INC	7,388	4,012	COST	11,677
BAYER AG		2,261	COST	2,549
BERKSHIRE HATHAWAY INC	5,037	1,207	COST	3,370
BLACKROCK INC	2,504	1,877	COST	3,082
BOEING CO	5,419	1,373	COST	3,834
CELANESE CROP	4,245	2,891	COST	5,889
CISCO SYSTEMS INC	5,254	4,168	COST	7,660
CITIGROUP INC	5,680	4,112	COST	6,548
CME GROUP INC	3,751	974	COST	2,629
COGNIZANT TECH SOLUTION CRP	5,015	4,603	COST	5,611
COMCAST CORP CLASS A	4,136	2,528	COST	6,048
CUMMINS INC	3,325		COST	
CVS HEALTH CORP	2,885	2,715	COST	4,495
DIAGO PLC ADR	3,576	2,543	COST	3,943
EATON CORP	2,595	1,863	COST	3,002
ELI LILLY & CO		3,129	COST	3,378
GILEAD SCIENCES INC	1,391	2,270	COST	3,152
HAIN CELESTIAL GROUP INC	2,748	2,748	COST	2,840
HOME DEPOT INC		2,793	COST	3,601
JPMORGAN CHASE & CO	5,705	2,045	COST	5,454
LAS VEGAS SANDS CORP	4,921	2,786	COST	3,613
MANULIFE FINANCIAL CORP	4,482	3,321	COST	4,902

Federal Statements

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
MCKESSON CORP	$ 3,404	$ 2,620	COST	$ 3,275
MERCK & CO INC	4,116	2,904	COST	3,207
MICROSOFT CORP	6,836	4,992	COST	10,607
MONSANTO CO	5,430		COST	
NIKE INC		3,910	COST	4,441
PNC FINANCIAL SERVICES GROUP	5,140	3,797	COST	6,060
ROCHE HOLDINGS LTD	5,859	4,326	COST	4,200
SCHLUMBERGER LTD	5,006	4,929	COST	4,515
SPIRIT AEROSYSTEMS HODL		2,938	COST	4,537
SUNCOR ENERGY INC	5,399	4,022	COST	5,508
TARGET CORP	3,430	2,033	COST	2,610
TE CONNECTIVITY LTD		3,845	COST	4,847
THERMO FISHER SCIENTIFIC INC	2,515	1,397	COST	3,987
TJX COM INC	1,078	815	COST	2,294
TOTAL S.A. ADR	4,433	4,526	COST	5,196
UNION PACIFIC CORP	4,659	3,050	COST	6,973
UNITED HEALTH GROUP INC	3,524	1,870	COST	8,598
UNITED PARCEL SERVICE	2,083	2,414	COST	3,694
WALT DISNEY CO	1,588	793	COST	3,440
ZOETIS INC		2,316	COST	3,026
TOTAL	$ 156,800	$ 123,234		$ 206,510

Statement 7 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
AQR MANAGED FUTURES STRATEGY FUND	$ 26,852	$ 21,533	COST	$ 19,698
ASG GLOBAL ALTERNATIVES FUND	18,667	18,799	COST	18,962
ASG MANAGED FUTURES STRATEGY FUND		6,812	COST	6,904
BLACKROCH GLOBAL LONG/SHORT	32,660	30,755	COST	30,997
CREDIT SUISSE COMMODITY RETURN FD	16,155		COST	
EATON VANCE GLOBAL MACRO ABSOLUTE	27,492	26,885	COST	27,015
FIDELITY ADVISORS EMERGING MARKETS	43,021	42,069	COST	44,286
ISHARES CORE S&P SMALL CAP	24,538	8,295	COST	19,356

Federal Statements

Statement 7 - Form 990-PF, Part II, Line 13 - Other Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
ISHARES S&P MID-CAP 400 GROWTH	$ 22,111	$ 19,004	COST	$ 38,849
ISHARES S&P MIDCAP 400 VALUE	22,756	18,789	COST	37,946
JPMORGAN HIGH YIELD FUND	38,874	17,648	COST	18,273
NEUBERGER BERMAN LONG SHORT FUND	22,510	42,411	COST	46,544
SPDR DJ WILSHIRE INTERNATIONAL REAL	15,993	22,728	COST	24,901
THE MERGER FUND	15,517	17,430	COST	17,696
T ROWE PRICE INSTITUTIONAL FLOAT	15,494	7,855	COST	7,928
T ROWE PRICE REAL ESTATE FUND	23,639	50,723	COST	53,027
VANGUARD FTSE DEVELOPED MARKETS ETF	44,387	38,857	COST	47,596
VANGUARD EMERGING MARKETS ETF	19,811	33,449	COST	48,343
VANGUARD INFLATION PROTECTED SEC FD	8,351	9,498	COST	9,404
VANGUARD INTERMEDIATE TERM B	89,402	131,324	COST	130,607
VANGUARD REIT VIPER	7,467	2,038	COST	4,481
VANGUARD SHORT TERM BOND ETF	66,771	49,896	COST	49,358
TOTAL	$ 602,468	$ 616,798		$ 702,171

Federal Statements

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
SEE ATTACHED APPLICATION

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
VARIOUS

Statement 8 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
NEEDY MEDICAL STUDENTS AT THE UNIVERSITY OF NORTH DAKOTA, GRAND FORKS, ND (75%). DEVILS LAKE PARK DISTRICT RECEIVES THE REMAINING 25%.

Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Relationship	Address / Status	Purpose	Amount
DEVILS LAKE PARK BOARD DEVILS LAKE ND 58301	N/A	PO BOX 446 GOVT	MAINTAIN & IMPROVE PUBLIC PARKS	9,667
BRETT JOHNSON GRAND FORKS ND 58201	N/A	4000 GARDENVIEW DRIVE 207 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
HOUDA ABDELRAHMAN FARGO ND 58104	N/A	4278 RUSSET AVE S. INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
JASON REARDON BISMARCK ND 58503	N/A	3205 E CALGARY AVE #303 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
ELIZABETH BLAIR MINOT ND 58703	N/A	1015 3RD ST NE INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
BROCK DAVIDSON FARGO ND 58104	N/A	4974 30TH AVE S. #118 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
KATRINA FOSTER FARGO ND 58104	N/A	5992 59TH AVE S INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
ELISE DICK BISMARCK ND 58503	N/A	3413 DOUBLE DAY DRIVE INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
ALEXANDER HORN GRAND FORKS ND 58201	N/A	3700 RUEMMELE RD #111 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
BROOKE LENTZ GRAND FORKS ND 58203	N/A	3220 5TH AVE N #3 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
LOGAN RICHARDS GRAND FORKS ND 58201	N/A	921B S 17TH ST. INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
TUCK ZIMMER GRAND FORKS ND 58203	N/A	1031 THAMES CT INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
SHANALEE MOUNTAN GRAND FORKS ND 58201	N/A	2750 S 38TH ST #328 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
BRUCH PEHL MINOT ND 58703	N/A	1015 3RD ST NE INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	3,000
TYLER BILDEN FARGO ND 58102	N/A	1222 4TH AVE N #121 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
CARISSA KLARICH GRAND FORKS ND 58203	N/A	29 CONKLIN AVE INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
PATRICK KHAN TAMUKONG GRAND FORKS ND 58202	N/A	1100 HAMLINE ST #206 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100

Federal Statements

Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Relationship	Address / Status	Purpose	Amount
HALLIE ANDERSON GRAND FORKS ND 58203	N/A	4270 UNIVERSITY AVE #108 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
TAYLOR VOLBERDING GRAND FORKS ND 58201	N/A	2750 S 28TH ST #303 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
THEODORE BETTING WEST FARGO ND 58078	N/A	835 34TH AVE E. #104 INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
SARA PAULSON BISMARCK ND 58503	N/A	3110 MORGAN CIRCLE INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
QUINN RUFSVOLD LISBON ND 58054	N/A	1211 ROSE ST. INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
SPENCER UETZ GRAND FORKS ND 58203	N/A	519 N 18TH ST. INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
TYRONE BERENTSON MINOT ND 58703	N/A	6501 86TH ST NE INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	600
ERIC CHRISTENSEN DICKINSON ND 58601	N/A	625 1ST AVE W INDIVIDUAL	ASSIST IN MEDICAL EDUCATION	100
TOTAL				38,667