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Form 990-PF

Department of the Treasury  
Internal Revenue Service

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OMB No 1545-0052

2017

Open to Public Inspection

For calendar year 2017 or tax year beginning

, and ending

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](http://www.irs.gov/Form990PF) for instructions and the latest information.

Name of foundation

THE LARRY L. HILLBLOM FOUNDATION, INC.

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

755 BAYWOOD DRIVE

Room/suite  
180

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

PETALUMA, CA 94954

G Check all that apply:

<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

H Check type of organization  Section 501(c)(3) exempt private foundation

Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) J Accounting method:  Cash  Accrual  
 ► \$ 141,610,072. (Part I, column (d) must be on cash basis.)

## Part I Analysis of Revenue and Expenses

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received			N/A	
2	Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	304.	304.		STATEMENT 1
4	Dividends and interest from securities	1,100,822.	1,100,822.		STATEMENT 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10				
a	Gross sales price for all assets on line 6a	7,639,057.			
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)				
11	Other income	3,461,781.	1,643,463.		STATEMENT 3
12	Total Add lines 1 through 11	7,445,468.	7,610,806.		
13	Compensation of officers, directors, trustees, etc	908,900.	485,330.		423,570.
14	Other employee salaries and wages	137,577.	0.		137,577.
15	Pension plans, employee benefits	196,681.	104,241.		92,440.
16a	Legal fees	STMT 4	6,584.		6,584.
b	Accounting fees	STMT 5	36,050.		16,943.
c	Other professional fees	STMT 6	385,575.		14,753.
17	Interest				
18	Taxes	RECEIVED STMT 7	216,795.	86,778.	0.
19	Depreciation and depletion		1,873.	993.	
20	Occupancy	NOV 08 2018 IRS-OSC	99,363.	52,664.	46,699.
21	Travel, conferences, and meetings		96,357.	0.	69,972.
22	Printing and publications				
23	Other expenses	OGDEN, UT STMT 8	91,451.	16,669.	74,782.
24	Total operating and administrative expenses Add lines 13 through 23	2,177,206.	1,136,604.		883,320.
25	Contributions, gifts, grants paid	3,012,385.			5,647,033.
26	Total expenses and disbursements Add lines 24 and 25	5,189,591.	1,136,604.		6,530,353.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	2,255,877.			
b	Net investment income (if negative, enter -0-)		6,474,202.		
c	Adjusted net income (if negative, enter -0-)			N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
1	Cash - non-interest-bearing		271,451.	195,613.	195,613.
2	Savings and temporary cash investments		15,981.	198,492.	198,492.
3	Accounts receivable ►				
	Less: allowance for doubtful accounts ►				
4	Pledges receivable ►				
	Less: allowance for doubtful accounts ►				
5	Grants receivable				
6	Receivables due from officers, directors, trustees, and other disqualified persons				
7	Other notes and loans receivable ►				
	Less: allowance for doubtful accounts ►				
8	Inventories for sale or use				
9	Prepaid expenses and deferred charges		6,693.	6,693.	6,693.
10a	Investments - U.S. and state government obligations	STMT 9	3,842,108.	3,956,176.	3,956,176.
b	Investments - corporate stock	STMT 10	71,977,278.	82,841,843.	82,841,843.
c	Investments - corporate bonds	STMT 11	13,936,330.	14,627,141.	14,627,141.
11	Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
12	Investments - mortgage loans				
13	Investments - other	STMT 12	26,914,782.	26,771,789.	26,771,789.
14	Land, buildings, and equipment basis ►	161,975.			
	Less accumulated depreciation	STMT 13 ►	151,103.	12,745.	10,872.
15	Other assets (describe ►	STATEMENT 14)	9,847,671.	13,001,453.	13,001,453.
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		126,825,039.	141,610,072.	141,610,072.
17	Accounts payable and accrued expenses		33,448.	59,833.	
18	Grants payable		7,623,884.	4,800,000.	
19	Deferred revenue				
20	Loans from officers, directors, trustees, and other disqualified persons				
21	Mortgages and other notes payable				
22	Other liabilities (describe ►	STATEMENT 15)	165,688.	365,880.	
23	Total liabilities (add lines 17 through 22)		7,823,020.	5,225,713.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ►	<input checked="" type="checkbox"/>			
	and complete lines 24 through 26, and lines 30 and 31				
	24	Unrestricted	119,002,019.	136,384,359.	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ►	<input type="checkbox"/>			
	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				
30	Total net assets or fund balances		119,002,019.	136,384,359.	
31	Total liabilities and net assets/fund balances		126,825,039.	141,610,072.	

## 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	119,002,019.
2	Enter amount from Part I, line 27a	2	2,255,877.
3	Other increases not included in line 2 (itemize) ► <u>UNREALIZED GAIN ON INVESTMENTS</u>	3	15,126,463.
4	Add lines 1, 2, and 3	4	136,384,359.
5	Decreases not included in line 2 (itemize) ►	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	136,384,359.

**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				
b	SEE ATTACHED STATEMENTS			
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	9,622,713.		4,756,496.	4,866,217.
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				
b				
c				
d				
e				4,866,217.
2	Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	4,866,217.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8		3	N/A

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

 Yes  No

If "Yes," the foundation doesn't 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	6,809,283.	121,321,470.	.056126
2015	6,836,704.	130,811,326.	.052264
2014	3,358,248.	136,954,149.	.024521
2013	2,881,059.	127,046,773.	.022677
2012	4,942,096.	116,220,845.	.042523

- 2 Total of line 1, column (d) 2 .198111
- 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 .039622
- 4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5 4 131,857,583.
- 5 Multiply line 4 by line 3 5 5,224,461.
- 6 Enter 1% of net investment income (1% of Part I, line 27b) 6 64,742.
- 7 Add lines 5 and 6 7 5,289,203.
- 8 Enter qualifying distributions from Part XII, line 4 8 6,530,353.

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)

1b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ►  and enter 1% of Part I, line 27b

1c 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-)

3 Add lines 1 and 2

4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)

5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-

6 Credits/Payments:

a 2017 estimated tax payments and 2016 overpayment credited to 2017

b Exempt foreign organizations - tax withheld at source

c Tax paid with application for extension of time to file (Form 8868)

d Backup withholding erroneously withheld

7 Total credits and payments Add lines 6a through 6d

8 Enter any penalty for underpayment of estimated tax Check here  if Form 2220 is attached

9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed

10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid

11 Enter the amount of line 10 to be Credited to 2018 estimated tax ►

Refunded ► 11

**Part VII-A | Statements Regarding Activities**

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?

Yes  No

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.

1a  1b

c Did the foundation file Form 1120-POL for this year?

1c

d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:

(1) On the foundation ► \$ 0. (2) On foundation managers ► \$ 0.

e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ 0.

2 Has the foundation engaged in any activities that have not previously been reported to the IRS?

2  X

If "Yes," attach a detailed description of the activities

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

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?

5  X

If "Yes," attach the statement required by *General Instruction T*

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. ►

CA

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 tax year beginning in 2017? See the 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? Website address ► <u>WWW.LLHF.ORG</u>	13	X
14 The books are in care of ► <u>DAVID R. JONES, CFO</u> Telephone no. ► <u>(707) 762-6691</u> Located at ► <u>755 BAYWOOD DRIVE, SUITE 180, PETALUMA, CA</u> ZIP+4 ► <u>94954</u>		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - check here and enter the amount of tax exempt interest received or accrued during the year	► 15	N/A
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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ► <u>SEE STATEMENT 16</u>	16	X

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

	Yes	No
1a During the year, did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	X No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	X No
(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	X No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions Organizations relying on a current notice regarding disaster assistance, check here	► 1b	X
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?	► 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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? If "Yes," list the years ► _____, _____, _____, _____	<input type="checkbox"/> Yes	X No
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	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____, _____	2b	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	X 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	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	3b	
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?	4a	X
	4b	X

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

		Yes	No		
<b>5a</b> 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))?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	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?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
<b>b</b> If any answer is "Yes" to 5a(1)-(5), did <b>any</b> of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions		N/A			
Organizations relying on a current notice regarding disaster assistance, check here		►			
<b>c</b> 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	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
If "Yes," attach the statement required by Regulations section 53.4945-5(d).					
<b>6a</b> Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
<b>b</b> Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
<b>7a</b> At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
<b>b</b> If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
		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.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 17		908,900.130,828.		0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NICOLETTE IACONA - 755 BAYWOOD DRIVE #180, PETALUMA, CA 94954	MAB COORDINATOR 30.00	64,900.	7,210.	0.

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

► 0

Form 990-PF (2017)



**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	132,252,289.
b	Average of monthly cash balances	1b	756,397.
c	Fair market value of all other assets	1c	856,881.
d	<b>Total</b> (add lines 1a, b, and c)	1d	133,865,567.
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	133,865,567.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	2,007,984.
5	<b>Net value of noncharitable-use assets</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5	131,857,583.
6	<b>Minimum investment return</b> Enter 5% of line 5	6	6,592,879.

**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	6,592,879.
2a	Tax on investment income for 2017 from Part VI, line 5	2a	64,742.
b	Income tax for 2017. (This does not include the tax from Part VI.)	2b	90,399.
c	Add lines 2a and 2b	2c	155,141.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	6,437,738.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	6,437,738.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	6,437,738.

**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	6,530,353.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4	4	6,530,353.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	64,742.
6	<b>Adjusted qualifying distributions</b> Subtract line 5 from line 4	6	6,465,611.

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				6,437,738.
2 Undistributed income, if any, as of the end of 2017			0.	
a Enter amount for 2016 only				
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2017:				
a From 2012				
b From 2013				
c From 2014				
d From 2015	367,640.			
e From 2016	761,881.			
f Total of lines 3a through e	1,129,521.			
4 Qualifying distributions for 2017 from Part XII, line 4: ► \$ 6,530,353.			0.	
a Applied to 2016, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2017 distributable amount				6,437,738.
e Remaining amount distributed out of corpus	92,615.			
5 Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	1,222,136.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5			0.	
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions			0.	
e Undistributed income for 2016. Subtract line 4a from line 2a Taxable amount - see instr.				0.
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)	0.			
8 Excess distributions carryover from 2012 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2018 Subtract lines 7 and 8 from line 6a	1,222,136.			
10 Analysis of line 9:				
a Excess from 2013				
b Excess from 2014				
c Excess from 2015	367,640.			
d Excess from 2016	761,881.			
e Excess from 2017	92,615.			



## 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
<b>a Paid during the year</b>				
10,000 DEGREES 650 LOS GAMOS DR., SUITE 110 <u>SAN RAFAEL, CA 94903</u>	NONE	PUBLIC	GENERAL SUPPORT	20,000.
ABOUT FACE MEDIA LITERACY P.O. BOX 77665 <u>SAN FRANCISCO, CA 94107</u>	NONE	PUBLIC	GENERAL SUPPORT	5,000.
AGWM WORLD MISSIONS 1445 N. BOONVILLE AVE. <u>SPRINGFIELD, MO 65802-1894</u>	NONE	PUBLIC	GENERAL SUPPORT	25,000.
BLUE STAR MOMS PO BOX 1446 <u>ROCKLIN, CA 95677</u>	NONE	PUBLIC	GENERAL SUPPORT	6,000.
BOY & GIRLS CLUB OF LAKE TAHOE P.O. BOX 17846 <u>S. LAKE TAHOE, CA 96151</u>	NONE	PUBLIC	GENERAL SUPPORT	5,000.
<b>Total</b>	<b>SEE CONTINUATION SHEET(S)</b>			► 3a 5,647,033.
<b>b Approved for future payment</b>				
BUCK INSTITUTE FOR RESEARCH ON AGING 8001 REDWOOD BLVD. <u>NOVATO, CA 94945</u>	NONE	PUBLIC	GENERAL SUPPORT	280,000.
REGENTS, UNIVERSITY OF CALIF. C/O UCI 5171 CALIFORNIA AVE <u>IRVINE, CA 92697</u>	NONE	PUBLIC	GENERAL SUPPORT	180,000.
REGENTS, UNIVERSITY OF CALIF. C/O UCLA 10920 WILSHIRE BLVD. <u>LOS ANGELES, CA 90024</u>	NONE	PUBLIC	GENERAL SUPPORT	400,000.
<b>Total</b>	<b>SEE CONTINUATION SHEET(S)</b>			► 3b 4,700,000.

## Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		(e) Related or exempt function income	
		(a) Business code	(b) Amount		
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments				14 304.	
4 Dividends and interest from securities				14 1,100,822.	
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	517000	287,128.	14	2,997,917.	
8 Gain or (loss) from sales of assets other than inventory			18	2,882,561.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a <u>TERMINATED GRANT INCOME</u>			01	176,736.	
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		287,128.		7,158,340.	
13 Total Add line 12, columns (b), (d), and (e)			0.	13 7,445,468.	
(See worksheet in line 13 instructions to verify calculations.)					

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



## 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	THE NORTHERN TRUST COMPANY #0430 - SEE ATTACHED	P	VARIOUS	VARIOUS
b	THE NORTHERN TRUST COMPANY #0430 - SEE ATTACHED	P	VARIOUS	VARIOUS
c	THE NORTHERN TRUST COMPANY #0430 - CAP GAIN DSTRB	P	VARIOUS	VARIOUS
d	THE NORTHERN TRUST COMPANY #0430 - TAX ADJ TO K-1	P	VARIOUS	VARIOUS
e	THE NORTHERN TRUST COMPANY #0430 - TAX ADJ TO K-1	P	VARIOUS	VARIOUS
f	THE NORTHERN TRUST COMPANY #4436 - SEE ATTACHED	P	VARIOUS	VARIOUS
g	THE NORTHERN TRUST COMPANY #4436 - SEE ATTACHED	P	VARIOUS	VARIOUS
h	THE NORTHERN TRUST COMPANY #0436 - CAP GAIN DSTRB	P	VARIOUS	VARIOUS
i	CAPITAL GAINS FROM PARTNERSHIPS	P	VARIOUS	VARIOUS
j				
k				
l				
m				
n				
o				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 32,912.		32,912.	0.
b 3,224,679.		2,043,754.	1,180,925.
c 529,717.			529,717.
d <1,505.>			<1,505.>
e 197,990.			197,990.
f 829,740.		794,184.	35,556.
g 2,823,101.		1,885,646.	937,455.
h 2,423.			2,423.
i 1,983,656.			1,983,656.
j			
k			
l			
m			
n			
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			0.
b			1,180,925.
c			529,717.
d			<1,505.>
e			197,990.
f			35,556.
g			937,455.
h			2,423.
i			1,983,656.
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	4,866,217.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 } 3		N/A

## THE LARRY L. HILLBLOM FOUNDATION, INC.

94-3241600

## Part XV Supplementary Information

## 3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
BUCK INSTITUTE FOR RESEARCH ON AGING 8001 REDWOOD BLVD NOVATO, CA 94945	NONE	PUBLIC	GENERAL SUPPORT	364,989.
CALIFORNIA MARITIME ACADEMY 200 MARITIME ACADEMY DRIVE VALLEJO, CA 94590	NONE	PUBLIC	GENERAL SUPPORT	10,000.
CAREER TECHNICAL EDUCATION FOUNDATION FOR SONOMA COUNTY ("CTE") P.O. BOX 2306 HEALDSBURG, CA 95448	NONE	PUBLIC	GENERAL SUPPORT	20,000.
CHILDRENS HOSPITAL LOS ANGELES 4650 SUNSET BLVD. LOS ANGELES, CA 90027	NONE	PUBLIC	GENERAL SUPPORT	70,000.
CITY OF HOPE 1500 EAST DUARTE ROAD DUARTE, CA 91010	NONE	PUBLIC	GENERAL SUPPORT	70,000.
COMMUNITY FOUNDATION SONOMA COUNTY 120 STONY POINT ROAD; SUITE 200 SANTA ROSA, CA 95401	NONE	PUBLIC	GENERAL SUPPORT	30,000.
COMMUNITY INITIATIVES 354 PINE STREET SAN FRANCISCO, CA 94104	NONE	PUBLIC	GENERAL SUPPORT	5,000.
COMMUNITY SERVICE FUND 800 BRYANT STREET SAN FRANCISCO, CA 94103	NONE	PUBLIC	GENERAL SUPPORT	10,000.
CONSERVATION STRATEGY FUND 1636 R STREET NW, SUITE 3 WASHINGTON, DC 20009	NONE	PUBLIC	GENERAL SUPPORT	5,000.
DOWN SYNDROME ASSOCIATION OF CENTRAL CALIFORNIA (DSACC) 1491 W. SHAW AVE. FRESNO, CA 93711	NONE	PUBLIC	GENERAL SUPPORT	10,500.
Total from continuation sheets				5,586,033.

## THE LARRY L. HILLBLOM FOUNDATION, INC.

94-3241600

## Part XV Supplementary Information

## 3 Grants and Contributions Paid During the Year (Continuation)

Recipient	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
GEORGE MARK CHILDREN'S HOUSE 2121 GEORGE MARK LANE <u>SAN LEANDRO, CA 94578-1017</u>	NONE	PUBLIC	GENERAL SUPPORT	10,000.
GOOD SHEPHRD LUTHERAN CHURCH 1615 MORSE AVE. <u>SACRAMENTO, CA 95864</u>	NONE	PUBLIC	GENERAL SUPPORT	10,000.
HAITIAN ASSOCIATION FOR DIABETES 1125 NORTH EAST 125TH STREET, SUITE <u>207 NORTH MIAMI, FL 33161</u>	NONE	PUBLIC	GENERAL SUPPORT	25,000.
HANNA BOYS CENTER PO BOX 100 <u>SONOMA, CA 95476-0100</u>	NONE	PUBLIC	GENERAL SUPPORT	10,000.
HOPE LUTHERAN CHURCH 354 E. BARSTOW AVENUE <u>FRESNO, CA 93710</u>	NONE	PUBLIC	GENERAL SUPPORT	14,000.
JEWISH FAMILY & CHILDREN 2150 POST STREET <u>SAN FRANCISCO, CA 94115</u>	NONE	PUBLIC	GENERAL SUPPORT	45,000.
JONI AND FRIENDS 1300 E. SHAW, SUITE 135 <u>FRESNO, CA 93710</u>	NONE	PUBLIC	GENERAL SUPPORT	28,000.
KCAPS 1139 DRAPER ST. <u>KINGSBURG, CA 93631</u>	NONE	PUBLIC	GENERAL SUPPORT	45,000.
KINGS RIVER UNION SCHOOL 3961 AVENUE 400 <u>KINGSBURG, CA 93631</u>	NONE	PUBLIC	GENERAL SUPPORT	21,980.
KINGSBURG HIGH SCHOOL MUSIC BOOSTER 1900 - 18TH AVENUE <u>KINGSBURG, CA 93631</u>	NONE	PUBLIC	GENERAL SUPPORT	30,000.
<u>Total from continuation sheets</u>				

## THE LARRY L. HILLBLOM FOUNDATION, INC. 94-3241600

## Part XV Supplementary Information

## 3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
KINGSBURG JOINT UNION HIGH SCHOOL 1900-18TH AVE. <u>KINGSBURG, CA 93631</u>	NONE	PUBLIC	GENERAL SUPPORT	66,520.
MARINE APPLIED RESEARCH AND EXPLORATION 5805 OCEAN VIEW DRIVE <u>OAKLAND, CA 94618</u>	NONE	PUBLIC	GENERAL SUPPORT	5,000.
MONTEFIORE MEDICAL CENTER 3325 BAINBRIDGE AVENUE <u>BRONX, NY 10467</u>	NONE	PUBLIC	GENERAL SUPPORT	10,000.
MORRO BAY OPEN SPACE ALLIANCE 840 LUISTITA STREET <u>MORRO BAY, CA 93442</u>	NONE	PUBLIC	GENERAL SUPPORT	25,000.
NORTH FORK VOLUNTEER FIRE DEPARTMENT AUXILIARY PO BOX 356 <u>NORTH FORK, CA 93643</u>	NONE	PUBLIC	GENERAL SUPPORT	20,000.
OAKLAND SCHOOL FOR THE ARTS 530 18TH STREET <u>OAKLAND, CA 94612</u>	NONE	PUBLIC	GENERAL SUPPORT	10,000.
PETALUMA EDUCATIONAL FOUNDATION 200 DOUGLAS STREET <u>PETALUMA, CA 94952</u>	NONE	PUBLIC	GENERAL SUPPORT	5,000.
PTA 525 ADRIENNE DRIVE <u>PETALUMA, CA 94954</u>	NONE	PUBLIC	GENERAL SUPPORT	5,000.
REBUILDING TOGETHER PETALUMA, INC PO BOX 100 <u>PETALUMA, CA 94953</u>	NONE	PUBLIC	GENERAL SUPPORT	5,000.
REDWOOD CREDIT UNION COMMUNITY FUND 3033 CLEVELAND AVE., SUITE 101 <u>SANTA ROSA, CA 95403</u>	NONE	PUBLIC	GENERAL SUPPORT	100,000.
<u>Total from continuation sheets</u>				

## THE LARRY L. HILLBLOM FOUNDATION, INC.

94-3241600

## Part XV Supplementary Information

## 3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
REGENTS, UNIVERSITY OF CALIF. C/O UCLA 10920 WILSHIRE BLVD LOS ANGELES, CA 90024-6503	NONE	PUBLIC	GENERAL SUPPORT	535,000.
REGENTS, UNIVERSITY OF CALIF. C/O UCSF, P.O. BOX 0248 SAN FRANCISCO, CA 94143	NONE	PUBLIC	GENERAL SUPPORT	2,281,638.
SAN JOAQUIN COLLEGE OF LAW 901 5TH STREET CLOVIS, CA 93612	NONE	PUBLIC	GENERAL SUPPORT	25,000.
SANFORD-BURNHAM MEDICAL 10901 NORTH TORREY PINES ROAD LA JOLLA, CA 92038	NONE	PUBLIC	GENERAL SUPPORT	65,474.
SERVICES FOR BRAIN INJURY 60 DAGGETT DRIVE SAN JOSE, CA 95134	NONE	PUBLIC	GENERAL SUPPORT	20,000.
SONOMA STAGE WORKS P.O. BOX 539 SONOMA, CA 95476	NONE	PUBLIC	GENERAL SUPPORT	2,500.
SONOMA STATE UNIVERSITY 1801 E. COTATI AVE. ROHNERT PARK, CA 94928	NONE	PUBLIC	GENERAL SUPPORT	5,000.
SONOMA VALLEY HOSPITAL 347 ANDRIEUX STREET SONOMA, CA 95476	NONE	PUBLIC	GENERAL SUPPORT	30,000.
STANFORD UNIVERSITY 450 SERRA MALL STANFORD, CA 94305	NONE	PUBLIC	GENERAL SUPPORT	124,260.
THE CALIFORNIA INSTITUTE OF TECHNOLOGY 1200 E CALIFORNIA BLVD MC 206-31 PASADENA, CA 91125	NONE	PUBLIC	GENERAL SUPPORT	60,000.
<b>Total from continuation sheets</b>				

## THE LARRY L. HILLBLOM FOUNDATION, INC.

94-3241600

## Part XV Supplementary Information

## 3 Grants and Contributions Paid During the Year (Continuation)

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
THE DANTA BENEDETTI FOUNDATION 863 EI PINTADO <u>DANVILLE, CA 94526</u>	NONE	PUBLIC	GENERAL SUPPORT	10,000.
THE J. DAVID GLADSTONE INSTITUTES 1650 OWEN STREET <u>SAN FRANCISCO, CA 94158</u>	NONE	PUBLIC	GENERAL SUPPORT	40,011.
THE MIRACLE LEAGUE NORTH BAY 40 FOURTH STREET, #286 <u>PETALUMA, CA 94952</u>	NONE	PUBLIC	GENERAL SUPPORT	20,000.
THE SALK INSTITUTE FOR BIOLOGICAL STUDIES 10010 N TORREY PINES RD <u>LA JOLLA, CA 92037</u>	NONE	PUBLIC	GENERAL SUPPORT	117,250.
TRUTH FOR LIFE P.O. BOX 398000 <u>CLEVELAND, OH 44139</u>	NONE	PUBLIC	GENERAL SUPPORT	10,000.
UC IRVINE 300 UNIVERSITY TOWER <u>IRVINE, CA 92697</u>	NONE	PUBLIC	GENERAL SUPPORT	60,000.
UC SAN DIEGO 9500 GILMAN DRIVE, MC 0934 <u>LA JOLLA, CA 92093-0934</u>	NONE	PUBLIC	GENERAL SUPPORT	480,000.
UCSF - FRESNO 155 N. FRESNO STREET <u>FRESNO, CA 93701</u>	NONE	PUBLIC	GENERAL SUPPORT	375,284.
UMKC LAW FOUNDATION 5115 OAK ST <u>KANSAS CITY, MO 64112</u>	NONE	PUBLIC	GENERAL SUPPORT	2,000.
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO FOUNDATION P.O BOX 0248 <u>SAN FRANCISCO, CA 94143</u>	NONE	PUBLIC	GENERAL SUPPORT	100,000.
<b>Total from continuation sheets</b>				

THE LARRY L. HILLBLOM FOUNDATION, INC.

94-3241600

## Part XV Supplementary Information

### 3 Grants and Contributions Paid During the Year (Continuation)

Total from continuation sheets

## THE LARRY L. HILLBLOM FOUNDATION, INC.

94-3241600

## Part XV Supplementary Information

## 3 Grants and Contributions Approved for Future Payment (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
REGENTS, UNIVERSITY OF CALIF. C/O UCSD 9500 GILMAN DRIVE <u>LA JOLLA, CA 92093</u>	NONE	PUBLIC	GENERAL SUPPORT	420,000.
REGENTS, UNIVERSITY OF CALIF. C/O UCSF P.O. BOX 0248 <u>SAN FRANCISCO, CA 94143</u>	NONE	PUBLIC	GENERAL SUPPORT	3,060,000.
SANFORD - BURNHAM 10901 NORTH TORREY PINES ROAD <u>LA JOLLA, CA 92037</u>	NONE	PUBLIC	GENERAL SUPPORT	180,000.
THE SALK INSTITUTE FOR BIOLOGICAL STUDIES 10010 N TORREY PINES RD <u>LA JOLLA, CA 92037</u>	NONE	PUBLIC	GENERAL SUPPORT	180,000.
<b>Total from continuation sheets</b>				<b>3,840,000.</b>

## FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
BANK OF MARIN	304.	304.	
TOTAL TO PART I, LINE 3	304.	304.	

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
NORTHERN TRUST	1,100,822.	0.	1,100,822.	1,100,822.	
TO PART I, LINE 4	1,100,822.	0.	1,100,822.	1,100,822.	

## FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
BOOK-TAX DIFFERENCE - CAPITAL GAIN	1,103,429.	0.	
BOOK-TAX DIFFERENCE - DIV & INT	874,600.	0.	
PARTNERSHIP NET INCOME - BOOK	1,307,016.	1,307,016.	
PARTNERSHIP NET INCOME - TAX			
ADJUSTMENT	0.	336,447.	
TERMINATED GRANT INCOME	176,736.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	3,461,781.	1,643,463.	

FORM 990-PF

LEGAL FEES

STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	6,584.	0.		6,584.
TO FM 990-PF, PG 1, LN 16A	6,584.	0.		6,584.

FORM 990-PF

ACCOUNTING FEES

STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	36,050.	19,107.		16,943.
TO FORM 990-PF, PG 1, LN 16B	36,050.	19,107.		16,943.

FORM 990-PF

OTHER PROFESSIONAL FEES

STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT CONSULTING	187,626. 197,949.	187,626. 183,196.		0. 14,753.
TO FORM 990-PF, PG 1, LN 16C	385,575.	370,822.		14,753.

FORM 990-PF

TAXES

STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX ON NET INVESTMENT INCOME	61,837.	0.		0.
DEFERRED TAX ON NET INVESTMENT INCOME	154,958.	0.		0.
FOREIGN TAXES	0.	86,778.		0.
TO FORM 990-PF, PG 1, LN 18	216,795.	86,778.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE	17,939.	9,508.		8,431.
SUPPLIES	2,687.	1,424.		1,263.
REPAIRS & MAINTENANCE	1,611.	854.		757.
ADMINISTRATIVE COSTS	9,214.	4,883.		4,331.
MEDICAL ADVISORY BOARD	60,000.	0.		60,000.
TO FORM 990-PF, PG 1, LN 23	91,451.	16,669.		74,782.

FORM 990-PF

U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS

STATEMENT 9

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST - US GOV OBLIGATIONS	X		3,956,176.	3,956,176.
TOTAL U.S. GOVERNMENT OBLIGATIONS			3,956,176.	3,956,176.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			3,956,176.	3,956,176.

FORM 990-PF

CORPORATE STOCK

STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST	82,841,843.	82,841,843.
TOTAL TO FORM 990-PF, PART II, LINE 10B	82,841,843.	82,841,843.

FORM 990-PF

CORPORATE BONDS

STATEMENT 11

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST	14,627,141.	14,627,141.
TOTAL TO FORM 990-PF, PART II, LINE 10C	14,627,141.	14,627,141.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 12

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT IN LIMITED PARTNERSHIPS	FMV	22,342,016.	22,342,016.
LONG TERM INVESTMENTS - NORTHERN TRUST CASH & CASH EQUIVALENTS	FMV	4,429,773.	4,429,773.
TOTAL TO FORM 990-PF, PART II, LINE 13		26,771,789.	26,771,789.

FORM 990-PF

DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT

STATEMENT 13

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
LEASEHOLD IMPROVEMENTS	86,138.	79,779.	6,359.
EQUIPMENT	49,950.	45,437.	4,513.
FURNITURE AND FIXTURES	25,887.	25,887.	0.
TOTAL TO FM 990-PF, PART II, LN 14	161,975.	151,103.	10,872.

FORM 990-PF

OTHER ASSETS

STATEMENT 14

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ARW, LLC	859,674.	856,881.	856,881.
PATHWAY PRIVATE EQUITY FUND	4,643,042.	4,048,741.	4,048,741.
PORTFOLIO ADVISORS PRIVATE EQUITY	1,539,205.	1,330,786.	1,330,786.
HIGHCLERE INTERNATIONAL INVESTORS			
EMERGING MARKETS	2,762,457.	3,454,829.	3,454,829.
FIRST LIGHT FOCUS FUND, LP	0.	3,310,216.	3,310,216.
PREPAID INCOME TAXES	43,293.	0.	0.
TO FORM 990-PF, PART II, LINE 15	9,847,671.	13,001,453.	13,001,453.

FORM 990-PF	OTHER LIABILITIES	STATEMENT 15
DESCRIPTION	BOY AMOUNT	EOY AMOUNT
DEFERRED TAX LIABILITY	165,688.	320,646.
INCOME TAXES PAYABLE	0.	45,234.
TOTAL TO FORM 990-PF, PART II, LINE 22	165,688.	365,880.

FORM 990-PF	NAME OF FOREIGN COUNTRY IN WHICH ORGANIZATION HAS FINANCIAL INTEREST	STATEMENT 16
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## NAME OF COUNTRY

CAYMAN ISLANDS  
 LUXEMBOURG  
 NETHERLANDS  
 CANADA  
 ISRAEL  
 SPAIN  
 INDIA  
 UNITED KINGDOM  
 JERSEY  
 MARSHALL ISLANDS  
 GERMANY  
 OTHER COUNTRY  
 SENEGAL  
 NORWAY  
 BELGIUM  
 FRANCE  
 JAPAN  
 GUERNSEY  
 SWEDEN  
 IRELAND  
 NEW ZEALAND  
 CYPRUS  
 PORTUGAL  
 SWAZILAND  
 DENMARK  
 AUSTRALIA  
 ITALY  
 SWITZERLAND

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS  
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 17

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
PETER J. DONNICI 755 BAYWOOD DR., #180 PETALUMA, CA 94954	PRESIDENT & CEO 32.50	143,900.	10,990.	0.
STEPHEN J. SCHWARTZ 755 BAYWOOD DR., #180 PETALUMA, CA 94954	VICE PRESIDENT 20.00	85,000.	7,701.	0.
WALTER HILLBLOM 755 BAYWOOD DR., #180 PETALUMA, CA 94954	VICE PRESIDENT 25.00	95,900.	25,637.	0.
TERRY C. HILLBLOM 755 BAYWOOD DR., #180 PETALUMA, CA 94954	COO 27.50	130,300.	27,837.	0.
GRANT A. ANDERSON 755 BAYWOOD DR., #180 PETALUMA, CA 94954	VICE PRESIDENT 27.50	121,400.	27,426.	0.
DAVID R. JONES 755 BAYWOOD DR., #180 PETALUMA, CA 94954	CFO 40.00	154,400.	31,237.	0.
E. LEWIS REID 755 BAYWOOD DR., #180 PETALUMA, CA 94954	DIRECTOR 7.00	33,500.	0.	0.
JANICE QUISTAD 755 BAYWOOD DR., #180 PETALUMA, CA 94954	DIRECTOR 7.00	37,000.	0.	0.
PAUL KIMOTO 755 BAYWOOD DR., #180 PETALUMA, CA 94954	DIRECTOR 7.00	36,500.	0.	0.
IDA O'BRIEN 755 BAYWOOD DR., #180 PETALUMA, CA 94954	DIRECTOR 7.00	36,500.	0.	0.
JOSEPH WAECHTER 755 BAYWOOD DR., #180 PETALUMA, CA 94954	DIRECTOR 7.00	34,500.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		908,900.	130,828.	0.

FORM 990-PF

SUMMARY OF DIRECT CHARITABLE ACTIVITIES

STATEMENT 18

ACTIVITY ONE

THE PURPOSE OF THE FOUNDATION IS TO SUPPORT MEDICAL RESEARCH IN THE AREAS OF DIABETES AND AGING. GRANT RECIPIENTS ARE SELECTED BASED UPON THIS CRITERIA IN FURTHERANCE OF THE ORGANIZATION'S EXEMPT PURPOSE.

EXPENSES

TO FORM 990-PF, PART IX-A, LINE 1

0.