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

OMB No 1545-0052

2017

Open to Public Inspection

For calendar year 2017, or tax year beginning 07-01-2017, and ending 06-30-2018

Name of foundation
BLUE WATERS FOUNDATION
C/O STEVE BUCK

Number and street (or P.O. box number if mail is not delivered to street address)
1629 PLEASANT PLAINS ROAD

City or town, state or province, country, and ZIP or foreign postal code
ANNAPOLIS, MD 21409

G Check all that apply

☐ Initial return

☐ Initial return of a former public charity

☐ Final return

☐ Amended return

☐ Address change

☐ 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) \$ 4,815,166

J Accounting method

☐ Cash

☒ Accrual

☐ Other (specify)

A Employer identification number
04-3707013

B Telephone number (see instructions)
(410) 437-8781

C If exemption application is pending, check here

D 1. Foreign organizations, check here

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

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

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))

	(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			
	4 Dividends and interest from securities	53,174	53,174	
	5a Gross rents			
	b Net rental income or (loss) _____			
	6a Net gain or (loss) from sale of assets not on line 10	42,057		
	b Gross sales price for all assets on line 6a _____ 292,781			
	7 Capital gain net income (from Part IV, line 2)		42,057	
	8 Net short-term capital gain			
	9 Income modifications			
	10a Gross sales less returns and allowances _____			
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	-3,965	324		
12 Total. Add lines 1 through 11	91,266	95,555		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0	0	0
	14 Other employee salaries and wages			
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule)			
	b Accounting fees (attach schedule)	8,850	4,425	0
	c Other professional fees (attach schedule)	40,921	40,921	0
	17 Interest			
	18 Taxes (attach schedule) (see instructions)			
	19 Depreciation (attach schedule) and depletion			
	20 Occupancy			
	21 Travel, conferences, and meetings			
	22 Printing and publications			
	23 Other expenses (attach schedule)	15	0	0
	24 Total operating and administrative expenses. Add lines 13 through 23	49,786	45,346	0
25 Contributions, gifts, grants paid	250,300		250,300	
26 Total expenses and disbursements. Add lines 24 and 25	300,086	45,346	250,300	
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-208,820			
b Net investment income (if negative, enter -0-)		50,209		
c Adjusted net income (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see instructions.

Cat No 11289X

Form 990-PF (2017)

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	61,693	11,382	11,382
	2 Savings and temporary cash investments	450,112	146,158	146,158
	3 Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4 Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	0	3,675	3,675
	10a Investments—U S and state government obligations (attach schedule)	265,567 	474,813	462,907
	b Investments—corporate stock (attach schedule)	1,547,561 	1,579,807	1,969,723
	c Investments—corporate bonds (attach schedule)	266,286 	350,765	340,784
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	1,291,775 	1,180,611	1,880,537
	14 Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	3,882,994	3,747,211	4,815,166	
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 ▶ _____)	 10,000 	85,728	
	23 Total liabilities (add lines 17 through 22)	10,000	85,728	
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	0	0	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29 Retained earnings, accumulated income, endowment, or other funds	3,872,994	3,661,483	
	30 Total net assets or fund balances (see instructions)	3,872,994	3,661,483	
31 Total liabilities and net assets/fund balances (see instructions) .	3,882,994	3,747,211		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	3,872,994
2 Enter amount from Part I, line 27a	2	-208,820
3 Other increases not included in line 2 (itemize) ▶ _____	3	0
4 Add lines 1, 2, and 3	4	3,664,174
5 Decreases not included in line 2 (itemize) ▶ _____ 	5	2,691
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	3,661,483

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 See Additional Data Table			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a See Additional Data Table			
b			
c			
d			
e			

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

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	42,057
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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

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

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

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



Yes



No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see 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	226,000	4,753,935	0 047540
2015	309,909	4,863,792	0 063718
2014	212,500	5,101,780	0 041652
2013			
2012			

2 Total of line 1, column (d)	2	0 152910
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 050970
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	4,837,341
5 Multiply line 4 by line 3	5	246,559
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	502
7 Add lines 5 and 6	7	247,061
8 Enter qualifying distributions from Part XII, line 4	8	250,300

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	502
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	502
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	502
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	10,825
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	0
7	Total credits and payments. Add lines 6a through 6d.	7	10,825
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	10,323
11	Enter the amount of line 10 to be Credited to 2018 estimated tax ☐ 10,323 Refunded ☐	11	0

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 Instructions for definition)? <i>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</i>			No
c	Did the foundation file Form 1120-POL for this year?			No
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? <i>If "Yes," attach a detailed description of the activities</i>	2		No
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? <i>If "Yes," attach a conformed copy of the changes</i>	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	Yes	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	Yes	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	5		No
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	Yes	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ MD			
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? <i>If "No," attach explanation</i> .	8b	Yes	
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)? <i>If "Yes," complete Part XIV</i>	9		No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10		No

Part VII-A Statements Regarding Activities (continued)

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A	13	Yes	
14	The books are in care of STEVEN BUCK Telephone no (410) 437-8781			

Located at **1629 PLEASANT PLAINS ROAD ANNAPOLIS MD** ZIP+4 **21409**

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			
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 instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ▶	16	Yes	No

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.

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ☐ 1b			
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			No
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). ☐ 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). ☐ Yes ☒ No 3b			
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a			No
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			No

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

5a	During the year did the foundation pay or incur any amount to (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). ☐ Yes ☒ No (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No			
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ No Organizations relying on a current notice regarding disaster assistance check here. ☐ 	5b		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No <i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No <i>If "Yes" to 6b, file Form 8870</i>	6b		No
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No	7b		

Part VIII

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

1

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

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
See Additional Data Table				

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	Title, and average hours per week (b) devoted to position	(c) Compensation	Contributions to employee benefit plans and deferred compensation (d)	Expense account, (e) other allowances
NONE				

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

0

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.

0

Part IX-A

Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1	
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	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3

0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	4,666,088
b	Average of monthly cash balances.	1b	244,918
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	4,911,006
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	4,911,006
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	73,665
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	4,837,341
6	Minimum investment return. Enter 5% of line 5.	6	241,867

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	241,867
2a	Tax on investment income for 2017 from Part VI, line 5.	2a	502
b	Income tax for 2017 (This does not include the tax from Part VI).	2b	147
c	Add lines 2a and 2b.	2c	649
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	241,218
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	241,218
6	Deduction from distributable amount (see instructions).	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	241,218

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	250,300
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	250,300
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	502
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	249,798

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				241,218
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2017				
a From 2012.				
b From 2013.				
c From 2014.				
d From 2015. 20,117				
e From 2016.				
f Total of lines 3a through e.	20,117			
4 Qualifying distributions for 2017 from Part XII, line 4 ▶ \$ 250,300				
a Applied to 2016, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions).		0		
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2017 distributable amount.				241,218
e Remaining amount distributed out of corpus	9,082			
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:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	29,199			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2016 Subtract line 4a from line 2a Taxable amount—see instructions			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 (see instructions).	0			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	29,199			
10 Analysis of line 9				
a Excess from 2013.				
b Excess from 2014.				
c Excess from 2015. 20,117				
d Excess from 2016.				
e Excess from 2017. 9,082				

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 organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

	Tax year	Prior 3 years			(e) Total
	(a) 2017	(b) 2016	(c) 2015	(d) 2014	
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 organization 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))
STEVEN BUCK

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

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

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

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

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

c Any submission deadlines

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

Part XV **Supplementary Information** (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i> HABITAT FOR HUMANITY OF THE CHESAPEAKE 3741 COMMERCE DRIVE NO 309 BALTIMORE, MD 21227		501(C)(3)	GENERAL SUPPORT	50,000
THE UNITED WAY OF CENTRAL MARYLAND INC 1800 WASHINGTON BLVD SUITE 340 BALTIMORE, MD 21230		501(C)(3)	GENERAL SUPPORT - FAMILY STABILITY PROGRAM	25,000
THE UNITED WAY OF CENTRAL MARYLAND INC FBO MARYLAND THERAPEUTIC RIDING 1800 WASHINGTON BLVD SUITE 340 BALTIMORE, MD 21230		501(C)(3)	GENERAL SUPPORT	175,000
HABITAT FOR HUMANITY WESTERN KENTUCKY UNIVERSITY CAMPUS CHAPTER 1906 COLLEGE HEIGHTS BLVD 51066 BOWLING GREEN, KY 412011066		501(C)(3)	GENERAL SUPPORT	300
Total ▶ 3a				250,300
b <i>Approved for future payment</i>				
Total ▶ 3b				0

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2017)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	1a(1)		No
(2) Other assets.	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
(3) Rental of facilities, equipment, or other assets.	1b(3)		No
(4) Reimbursement arrangements.	1b(4)		No
(5) Loans or loan guarantees.	1b(5)		No
(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No

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

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.	***** 2019-01-25 Date	***** Title	May the IRS discuss this return with the preparer shown below (see instr.)? ☒ Yes ☐ No
	Signature of officer or trustee			

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
	LORI S BURGHAUSER		2019-01-25		P00370694
	Firm's name ▶ SC&H TAX & ADVISORY SERVICES LLC				Firm's EIN ▶ 20-5991824
	Firm's address ▶ 910 RIDGEBROOK ROAD SPARKS, MD 21152				Phone no (410) 403-1500

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 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)
AUTOMATIC DATA PROCESSING INC		2016-07-15	2017-08-01
SIMON PPTY GRP INC		2016-07-15	2017-08-03
AMAZON COM INC		2016-07-15	2017-08-18
GENERAL ELECTRIC CO		2015-03-25	2017-10-25
STRYKER CORP		2016-07-15	2017-11-02
DOLLAR GEN CORP NEW COM		2016-07-15	2017-11-02
AUTOMATIC DATA PROCESSING INC		2016-07-15	2017-11-02
MCKESSON CORP		2016-01-01	2017-12-05
CVS HEALTH CORP COM		2016-07-15	2018-01-08
BANK AMER CORP MTN 2 00000% 01/11/2018		2016-01-01	2018-01-11

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
4,386		3,599	787
10,281		13,043	-2,762
4,909		3,715	1,194
16,145		19,029	-2,884
5,879		4,109	1,770
5,505		5,512	-7
5,693		4,006	1,687
9,463		12,316	-2,853
6,775		9,367	-2,592
25,000		25,000	0

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
			787
			-2,762
			1,194
			-2,884
			1,770
			-7
			1,687
			-2,853
			-2,592
			0

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 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)
COMCAST CORP NEW CL A		2016-01-01	2018-01-16
GOLDMAN SACHS GROUP INC MTN 2 37500% 01/22/2018		2013-01-22	2018-01-22
BLACKROCK INC		2016-06-22	2018-01-30
AMAZON COM INC		2016-01-15	2018-02-02
OMNICOM CAP INC COM STK USD0 15		2015-10-07	2018-02-16
BANK NEW YORK MTN BK ENT 1 35000% 03/06/2018		2013-03-06	2018-03-06
ANADARKO PETE CORP		2016-01-01	2018-05-14
CISCO SYS INC COM		2016-01-01	2018-05-14
ANGEL OAK MULTI STRATEGY INC INSTL		2012-10-24	2018-06-08
ADOBE INC COM		2017-03-09	2018-06-12

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
5,964		4,473	1,491
25,000		25,000	0
6,446		4,167	2,279
8,714		4,584	4,130
10,223		6,550	3,673
25,000		24,911	89
13,488		13,467	21
6,465		3,209	3,256
19,970		21,924	-1,954
5,021		2,592	2,429

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
			1,491
			0
			2,279
			4,130
			3,673
			89
			21
			3,256
			-1,954
			2,429

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 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)
AMAZON COM INC		2015-03-20	2018-06-12
TJX COS INC NEW COM		2016-01-01	2018-06-13
STRYKER CORP		2016-07-15	2018-06-15
AMERICAN EXPRESS CO		2016-01-15	2018-06-22
CAPITAL GAIN DIVIDENDS		2017-07-01	2018-06-30
CONOCOPHILLIPS CO NOTE CALL MAKE WHOLE 2 40		2015-03-25	2018-06-11

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
6,736		1,514	5,222
5,235		4,001	1,234
6,334		1,976	4,358
10,794		7,612	3,182
19,046		292	18,754
24,309		24,756	-447

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
			5,222
			1,234
			4,358
			3,182
			18,754
			-447

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
STEVEN BUCK 1629 PLEASANT PLAINS ROAD ANNAPOLIS, MD 21409	TRUSTEE 1 00	0	0	0
NANCY FOHRELL 1240 TAYLOR AVE ARNOLD, MD 21012				
MEAGAN HEFFERNAN 1908 BLUE WATERS FARM LANE PASADENA, MD 21122	TRUSTEE 1 00	0	0	0
DENNIS KLINE 6505 HOME WATER WAY 301 GLEN BURNIE, MD 21060				
DARYL SIDLE 120 EAST BALTIMORE STREET SUITE 2100 BALTIMORE, MD 21202	TRUSTEE 1 00	0	0	0

TY 2017 Accounting Fees Schedule**Name:** BLUE WATERS FOUNDATION

C/O STEVE BUCK

EIN: 04-3707013**Accounting Fees Schedule**

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	8,850	4,425		0

TY 2017 Investments Corporate Bonds Schedule**Name:** BLUE WATERS FOUNDATION

C/O STEVE BUCK

EIN: 04-3707013**Investments Corporate Bonds Schedule**

Name of Bond	End of Year Book Value	End of Year Fair Market Value
APPLE INC NOTE	25,025	24,086
AT&T INC SR NT	24,115	23,684
BANK NEW YORK MELLON CORP MTN	24,615	23,466
BLACKROCK INC NOTE	25,779	25,165
CITIGROUP INC SR NT	24,856	24,681
COMCAST CORP NEW NOTE	25,380	23,913
DEERE JOHN CAP CORP MTNS BE	25,400	24,792
JPMORGAN CHASE & CO NOTE	24,445	23,222
MORGAN STANLEY MTN	25,070	24,958
ORACLE CORP NOTE	24,899	23,811
PFIZER INC SR NT	25,454	24,705
SHELL INTERNATIONAL FIN BV NOTE	25,178	24,700
VERIZON COMMUNICATIONS INC	25,390	25,159
WELLS FARGOCO NEW NOTE	25,159	24,442

TY 2017 Investments Corporate Stock Schedule

Name: BLUE WATERS FOUNDATION
C/O STEVE BUCK
EIN: 04-3707013

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ABBVIE INC COM	125	463
ADOBE SYS INC	6,210	12,434
AETNA INC NEW COM	14,772	24,773
ALLERGAN PLC. COM	26,780	15,505
ALLIANCE DATA SYS CORP	11,351	9,328
ALPHABET INC CAP STK CL C	33,500	63,592
AMAZON.COM INC	13,251	59,493
AMERICAN TOWER CORPORATION	27,014	32,294
ANGEL OAK MULTI STRATEGY INC INSTL	257,156	241,429
APPLE INC	10,703	31,284
AT MID CAP EQUITY INSTITUTIONAL	233,248	283,150
AUTOMATIC DATA PROCESSING INC	7,095	20,389
BLACKROCK INC	11,896	16,468
BOEING CO	8,598	19,124
CAPITAL ONE FINANCIAL CORP	12,358	14,336
CHEVRON CORP NEW COM	15,195	16,057
CIGNA CORPORATION COM	14,324	16,825
CISCO SYS INC COM	13,470	26,980
CITIGROUP INC COM NEW	22,924	26,567
COLGATE-PALMOLIVE CO	10,286	9,657
COMCAST CORP NEW CL A	16,925	18,669
CVS HEALTH CORP COM	15,787	12,098
DANAHER CORP	19,778	26,841
DOLLAR GEN CORP NEW COM	9,652	12,522
DOWDUPONT INC COM	23,618	21,951
EOG RESOURCES INC	13,475	18,416
EXPEDIA GROUP INC	20,865	17,307
EXPRESS SCRIPTS HLDG CO COM	18,675	16,986
FIDELITY NATIONAL INFORMATION SERVICES	14,142	20,252
FISERV INC	12,117	21,486

Name of Stock	End of Year Book Value	End of Year Fair Market Value
FORTIVE CORP COM	9,848	15,114
HOME DEPOT INC COM	16,376	26,534
HONEYWELL INTL INC	24,812	26,649
INTERCONTINENTAL EXCHANGE INC COM	20,386	21,697
JOHNSON & JOHNSON	16,269	25,117
JPMORGAN CHASE & CO	18,938	31,781
KINDER MORGAN INC COM USD 0.01	13,675	11,609
MEDTRONIC PLC	24,836	26,882
MERCK & CO INC NEW COM	14,076	14,568
MICROSOFT CORP	15,762	49,305
NEXTERA ENERGY INC COM	11,020	16,703
ORACLE CORP COM	15,805	22,250
PEPSICO INC	13,220	18,072
PIONEER NATURAL RESOURCES CO	13,926	15,518
PRAXAIR INC	14,594	18,978
PRUDENTIAL FINL INC	15,056	17,299
QUALCOMM INC	20,742	19,137
STRYKER CORP	4,107	13,340
THERMO FISHER SCIENTIFIC INC	11,639	17,607
TJX COS INC NEW COM	9,454	12,754
TWEEDY BROWNE GLOBAL VALUE FUND	218,438	232,135
T MOBILE US INC COM	12,582	13,145
UNION PACIFIC CORP	14,041	19,127
UNITED TECHNOLOGIES CORP	21,679	26,756
UNITEDHEALTH GROUP	16,805	33,857
US BANCORP DEL COM NEW	17,374	19,508
V F CORP	10,539	11,413
VISA INC COM	20,615	37,086
WELLS FARGO & CO NEW	27,903	29,106

TY 2017 Investments Government Obligations Schedule

Name: BLUE WATERS FOUNDATION
C/O STEVE BUCK

EIN: 04-3707013

**US Government Securities - End
of Year Book Value:**

474,813

**US Government Securities - End
of Year Fair Market Value:**

462,907

**State & Local Government
Securities - End of Year Book
Value:**

0

**State & Local Government
Securities - End of Year Fair
Market Value:**

0

TY 2017 Investments - Other Schedule**Name:** BLUE WATERS FOUNDATION

C/O STEVE BUCK

EIN: 04-3707013**Investments Other Schedule 2**

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
AMA PRIVATE REAL ESTATE FUND I LP	AT COST	0	152,602
ABBAY CAPITAL ACL ALTERNATIVE FUND LTD	AT COST	217,180	205,647
RIVERVIEW GLOBAL MACRO FUND	AT COST	200,000	239,769
SILVER CREEK LOW VOLATILITY	AT COST	263,431	257,454
GREENLIGHT MASTERS OFFSHORE	AT COST	500,000	1,013,878
TOURMALET MATAWIN OFFSHORE FUND LP	AT COST	0	11,187

TY 2017 Other Decreases Schedule**Name:** BLUE WATERS FOUNDATION

C/O STEVE BUCK

EIN: 04-3707013

Description	Amount
NET UNREALIZED GAINS (LOSSES) ON INVESTMENTS	2,691

TY 2017 Other Expenses Schedule

Name: BLUE WATERS FOUNDATION
C/O STEVE BUCK

EIN: 04-3707013

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MISCELLANEOUS EXPENSE	15	0		0

TY 2017 Other Income Schedule**Name:** BLUE WATERS FOUNDATION

C/O STEVE BUCK

EIN: 04-3707013**Other Income Schedule**

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
OTHER PASSTHROUGH INVESTMENT INCOME FROM AMA PRIVATE REAL ESTATE FUND I	2	2	2
PASSTHROUGH RENTAL INCOME FROM AMA PRIVATE REAL ESTATE FUND I	-4,289		-4,289
OTHER PASSTHROUGH INVESTMENT INCOME FROM ACL ALTERNATIVE FUND	307	307	307
INVESTMENT INCOME	15	15	15

TY 2017 Other Liabilities Schedule**Name:** BLUE WATERS FOUNDATION

C/O STEVE BUCK

EIN: 04-3707013

Description	Beginning of Year - Book Value	End of Year - Book Value
INVESTMENT IN TOURMALET MATAWIN OFFSHORE FUND LP	10,000	10,000
INVESTMENT IN AMA PRIVATE REAL ESTATE FUND	0	75,728

TY 2017 Other Professional Fees Schedule

Name: BLUE WATERS FOUNDATION
C/O STEVE BUCK

EIN: 04-3707013

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT FEES	40,921	40,921		0