

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury Internal Revenue Service

Reporting requirements

Reporting period JUN 30, 2004

- A For the 2003 calendar year
B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

Please use IR label or print c type. See Specific Instructions.

13914 *****AUTO**5-DIGIT 55802
THE DEPOT FOUNDATION
314 W SUPERIOR ST STE 10
DULUTH MN 55802-1822

I P 157 R
B 25 S

D Employer identification number 41-1356072
E Telephone number 218-279-9913
F Acctg. method: Cash [X] Accrual [] Other (specify) []

G Website: WWW.DEPOTFOUNDATION.ORG
J Organization type: [X] 501(c)(3) (insert no) 4947(a)(1) or 527

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes [] No [X]
H(b) If "Yes," enter number of affiliates
H(c) Are all affiliates included? Yes [] No []
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes [] No [X]
I Group Exemption Number

K Check here [] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

M Check [] if organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 1,158,602.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions)

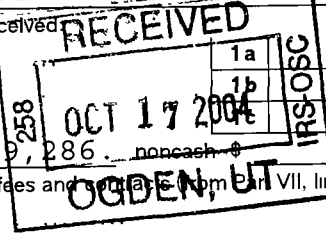


Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6 Gross rents; 7 Other investment income; 8 Gross amount from sales of assets other than inventory; 9 Special events and activities; 10 Gross sales of inventory; 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

SCANNED OCT 17 2004

For Paperwork Reduction Act Notice, see the separate instructions.

Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See the instructions)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 117729 noncash \$)	117729.	117729.		
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	51819.	19173.	22282.	10364.
26	Other salaries and wages	9391.	3475.	4038.	1878.
27	Pension plan contributions	2549.	943.	1096.	510.
28	Other employee benefits	599.	222.	258.	119.
29	Payroll taxes	5003.	1851.	2151.	1001.
30	Professional fundraising fees				
31	Accounting fees	9715.		9715.	
32	Legal fees				
33	Supplies	2413.	893.	1037.	483.
34	Telephone	2456.	909.	1056.	491.
35	Postage and shipping	6843.	2532.	2942.	1369.
36	Occupancy	1876.	694.	807.	375.
37	Equipment rental and maintenance				
38	Printing and publications	23015.	8516.	9896.	4603.
39	Travel				
40	Conferences, conventions, and meetings	1633.	604.	1029.	
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	3540.		1770.	1770.
43	Other expenses not covered above (itemize) a	16577.	1282.	6988.	8307.
b					
c					
d					
e					
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	255158.	158823.	65065.	31270.

Joint Costs. Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____

(iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions)

What is the organization's primary exempt purpose? <input checked="" type="checkbox"/> SEE STATEMENT	Program Service Expenses (Required for 501(c)(3) & (4) orgs, & 4947(a)(1) trusts, but optional for others)
a GRANTS AND ALLOCATIONS FOR THE PARTICIPATING MEMBER ORGANIZATIONS OF THE HISTORIC UNION DEPOT (Grants and allocations \$ 117729.)	117729.
b CARRY OUT FUND-RAISING & GRANT-MAKING ACTIVITIES TO SUPPORT THE PRESERVATION & PRESENTATION OF THE ART, CULTURE, AND HISTORY OF THE REGION OF NORTHEASTERN MINNESOTA (Grants and allocations \$)	41094.
c (Grants and allocations \$)	
d (Grants and allocations \$)	
e Other program services (attach schedule) (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	158823.

Part IV Balance Sheets (See the instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	8,282.	45	(5,631.)
	46 Savings and temporary cash investments	312,270.	46	315,424.
	47 a Accounts receivable	47 a		
	b Less allowance for doubtful accounts	47 b		47 c
	48 a Pledges receivable	7,787.	48 a	
	b Less allowance for doubtful accounts	48 b	8,037.	48 c
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51 a Other notes and loans receivable (attach schedule)	51 a		
	b Less allowance for doubtful accounts	51 b		51 c
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	3,446.	53	4,397.
	54 Investments - securities (attach schedule) ▶ <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	3,920,046.	54	4,179,139.
	55 a Investments - land, buildings, and equipment basis	55 a		
	b Less accumulated depreciation (attach schedule)	55 b		55 c
	56 Investments - other (attach schedule)		56	
	57 a Land, buildings, and equipment basis	21,682.	57 a	
	b Less accumulated depreciation (attach schedule)	57 b	5,912.	57 c
	58 Other assets (describe ▶ SEE STATEMENTS)	27,961.	58	62,988.
59 Total assets (add lines 45 through 58) (must equal line 74)	4,285,954.	59	4,569,493.	
Liabilities	60 Accounts payable and accrued expenses	4,994.	60	6,750.
	61 Grants payable	37,581.	61	9,300.
	62 Deferred revenue	3,100.	62	3,650.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64 a	
	b Mortgages and other notes payable (attach schedule)		64 b	
	65 Other liabilities (describe ▶ DUE TO AFFILIATES)	134,941.	65	242,397.
66 Total liabilities (add lines 60 through 65)	180,616.	66	262,097.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	3,992,415.	67	4,189,592.
	68 Temporarily restricted	4,037.	68	3,357.
	69 Permanently restricted	109,381.	69	114,447.
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	4,105,833.	73	4,307,396.
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	4,286,449.	74	4,569,493.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part VI Other Information (See the instructions)		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78 a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78 b	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80 a	X
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81 a	Enter direct or indirect political expenditures See line 81 instructions	81 a	
b	Did the organization file Form 1120-POL for this year?	81 b	X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82 a	X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82 b	
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83 a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83 b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84 a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84 b	
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85 a	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85 b	
c	Dues, assessments, and similar amounts from members	85 c	
d	Section 162(e) lobbying and political expenditures	85 d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85 e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85 f	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85 g	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85 h	
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	86 a	
b	Gross receipts, included on line 12, for public use of club facilities	86 b	
87	501(c)(12) orgs Enter a Gross income from members or shareholders	87 a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87 b	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="checkbox"/> , section 4912 <input type="checkbox"/> , section 4955 <input type="checkbox"/>		
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89 b	X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <input type="checkbox"/>		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization <input type="checkbox"/>		
90 a	List the states with which a copy of this return is filed <input type="checkbox"/> MN		
b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.)	90 b	2
91	The books are in care of <input type="checkbox"/> CARLA CHARLTON Telephone no <input type="checkbox"/> 218-279-9913 Located at <input type="checkbox"/> 314 W SUPERIOR ST ST 10 DULUTH MN ZIP + 4 <input type="checkbox"/> 55802		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <input type="checkbox"/>	92	

Part VII Analysis of Income-Producing Activities (See the instructions)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
Note: Enter gross amounts unless otherwise indicated					
93 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from govt agencies					
94 Membership dues & assessments					
95 Interest on savings and temporary cash investments					
96 Dividends & interest from securities			14	129,738.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b INVEST MGMT FEES			3	667.	
c MISC INCOME			3	33.	
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				130,438.	
105 Total (add line 104, columns (B), (D), and (E))					130,438.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership int	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions)

- (a) Did the organization, during year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

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 officer) is based on all information of which preparer has any knowledge.

Please Sign: Arlea M. Thornton Date: 9/22/04

EXECUTIVE DIRECTOR

Date	Check if self-	Preparer's SSN or PTIN (See Gen Inst W)
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SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)
(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information - (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2003

Name of the organization THE DEPOT FOUNDATION	Employer identification number 41-1356072
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See the instructions List each one If there are 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 & deferred compensation	(e) Expense account and other allowance
NONE				
Total number of other employees paid over \$50,000 ▶				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See the instructions List each one (whether individuals or firms) If there are none, enter "None ")

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

Part III Statements About Activities (See instructions)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e	Transfer of any part of its income or assets?		X
3a	Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)		X
3b	Do you have a section 403(b) annuity plan for your employees?	X	
4	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

Part IV Reason for Non-Private Foundation Status (See instructions)

- The organization is not a private foundation because it is (Please check only **ONE** applicable box)
- 5** A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
 - 6** A school Section 170(b)(1)(A)(ii) (Also complete Part V)
 - 7** A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
 - 8** A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
 - 9** A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state ▶**
 - 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
 - 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
 - 11b** A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
 - 12** An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
 - 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** An organization organized and operated to test for public safety Section 509(a)(4) (See instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in) ▶	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	136058	127092	152377	90680	506207
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose				4450	4450
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	144304	164771	203201	207978	720254
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	875	1796	1563	-585	3649
23 Total of lines 15 through 22	281237	293659	357141	302523	1234560
24 Line 23 minus line 17	281237	293659	357141	298073	1230110
25 Enter 1% of line 23	2812	2937	3571	3025	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶	26a	24602
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶	26b	196811
c Total support for section 509(a)(1) test Enter line 24, column (e) ▶	26c	1230110
d Add Amounts from column (e) for lines 18 _____ 720254 19 _____ 22 _____ 3649 26b _____ 196811 ▶	26d	920714
e Public support (line 26c minus line 26d total) ▶	26e	309396
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶	26f	25.15 %

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" Do not file this list with your return. Enter the sum of such amounts for each year

(2002) _____ (2001) _____ (2000) _____ (1999) _____

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for the year

(2002) _____ (2001) _____ (2000) _____ (1999) _____

c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶	27c	
d Add Line 27a total _____ and line 27b total _____ ▶	27d	
e Public support (line 27c total minus line 27d total) ▶	27e	
f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶	27f	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶	27g	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶	27h	%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not file this list with your return. Do not include these grants in line 15

Part VI-A

Lobbying Expenditures by Electing Public Charities (See instructions)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group Check **b** if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table -		
If the amount on line 40 is - The lobbying nontaxable amount is -		
Not over \$500,000	20% of the amount on line 40	
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000	\$1,000,000	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See instructions for lines 45 through 50)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B

Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (Add lines **c** through **h**.)

Yes	No	Amount
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

my

Depreciation and Amortization (Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return THE DEPOT FOUNDATION	Business or activity to which this form relates FORM 990	Identifying number 41-1356072
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Part I Election To Expenses Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1 Maximum amount See the instructions for a higher limit for certain businesses	1	\$100,000																											
2 Total cost of section 179 property placed in service (see instructions)	2																												
3 Threshold cost of section 179 property before reduction in limitation	3	\$400,000																											
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4																												
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see the instructions	5	100,000.																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">(a) Description of property</th> <th style="width: 20%;">(b) Cost (business use only)</th> <th style="width: 40%;">(c) Elected cost</th> </tr> </thead> <tbody> <tr> <td>6</td> <td></td> <td></td> </tr> <tr> <td>7 Listed property Enter the amount from line 29</td> <td style="text-align: center;">7</td> <td></td> </tr> <tr> <td>8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7</td> <td style="text-align: center;">8</td> <td></td> </tr> <tr> <td>9 Tentative deduction Enter the smaller of line 5 or line 8</td> <td style="text-align: center;">9</td> <td></td> </tr> <tr> <td>10 Carryover of disallowed deduction from line 13 of your 2002 Form 4562</td> <td style="text-align: center;">10</td> <td></td> </tr> <tr> <td>11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)</td> <td style="text-align: center;">11</td> <td></td> </tr> <tr> <td>12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11</td> <td style="text-align: center;">12</td> <td></td> </tr> <tr> <td>13 Carryover of disallowed deduction to 2004 Add lines 9 and 10, less line 12 ▶</td> <td style="text-align: center;">13</td> <td></td> </tr> </tbody> </table>			(a) Description of property	(b) Cost (business use only)	(c) Elected cost	6			7 Listed property Enter the amount from line 29	7		8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8		9 Tentative deduction Enter the smaller of line 5 or line 8	9		10 Carryover of disallowed deduction from line 13 of your 2002 Form 4562	10		11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11		12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12		13 Carryover of disallowed deduction to 2004 Add lines 9 and 10, less line 12 ▶	13	
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Note: Do not use Part II or Part III below for listed property Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see the instructions)	14	
15 Property subject to section 168(f)(1) election (see the instructions)	15	
16 Other depreciation (including ACRS) (see the instructions)	16	3,507.

Part III MACRS Depreciation (Do not include listed property) (See the instructions)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2003	17	
18 If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ <input type="checkbox"/>		

Section B-Assets Placed in Service During 2003 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depr (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		400.	5	HY	SL	33.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

Section C-Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see the instructions)

21 Listed property Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instr.	22	3,540.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

THE DEPOT FOUNDATION
FEIN 41-1356072

ATTACHMENT TO FORM 990

FORM 990, PART I, LINE 20, OTHER CHANGES IN NET ASSETS OR FUND BALANCES

Unrealized Investment Gains \$196,515

FORM 990, PART III, ORGANIZATION'S PRIMARY EXEMPT PURPOSE

The Depot Foundation is dedicated to the preservation and presentation of art, culture, and history of the region through the development and management of endowment assets, and the distribution of endowment fund earnings primarily for the benefit of the Historic Union Depot and its participating member organizations.

FORM 990, PART IV, LINE 57, LAND, BUILDINGS, AND EQUIPMENT

	<u>Cost</u>	<u>Accum. Depreciation</u>	<u>Book Value</u>
Office Equipment	\$21,682	\$16,293	\$5,389

FORM 990, PART IV, LINE 58, OTHER ASSETS

	<u>2003</u>	<u>2004</u>
Accrued Investment Income	\$27,961	\$27,304
Advances to Capital Campaign	-0-	35,684

FORM 990, PART V, BOARD OF DIRECTORS

HOURS PER WEEK AS NEEDED / NO COMPENSATION PAID

R. CRAFT DRYER	DULUTH, MINNESOTA	CHAIR
SANFORD "SANDY" HOFF	DULUTH, MINNESOTA	VICE-CHAIR
CAROLINE BYE	DULUTH, MINNESOTA	SECRETARY
PAT OSWALD	DULUTH, MINNESOTA	TREASURER
CANDY ADAMS	SUPERIOR, WISCONSIN	DIRECTOR
LAURA BUDD	DULUTH, MINNESOTA	DIRECTOR
NEALE ROTH	DULUTH, MINNESOTA	DIRECTOR
ALLAN APTER	DULUTH, MINNESOTA	DIRECTOR
ROBERT FRYBERGER	DULUTH, MINNESOTA	DIRECTOR
MARY RILEY	FREDENBERG, MINNESOTA	DIRECTOR
STEPHANIE BALL	DULUTH, MINNESOTA	DIRECTOR
FIONA MCKEE	DULUTH, MINNESOTA	DIRECTOR
CAROLYN SUNDQUIST	DULUTH, MINNESOTA	DIRECTOR
JOHN BELL	DULUTH, MINNESOTA	DIRECTOR
<i>Barbara Gaddie</i>	<i>Duluth, Minnesota</i>	<i>Director</i>

Grants and Allocations

US 990 **990: Page 2, Line 22; 990-EZ: Page 1, Line 10** **2003**

Class of Activity	Donee's Name and Address	Relationship	Amount
GRANTS -4	DULUTH ART INSTITUTE		20,247.
GRANTS -4	DULUTH CHILDRENS MUSEUM		16,552.
GRANTS -4	DULUTH PLAYHOUSE		17,999.
GRANTS -2	DUL-SUP SYMPHONY ORCHESTRA		9,948.
GRANTS -2	HISTORIC UNION DEPOT		30,000.
GRANTS -2	LK SUPERIOR RAILROAD MUSEUM		6,123.
GRANTS -3	MINNESOTA BALLET		6,688.
GRANTS -2	ST LOUIS CTY HISTORICAL SOC		8,946.
GRANTS -2	ARROWHEAD CHORALE		1,013.
GRANT	MATINEE MUSICALE		213.
			117,729.

US 990**Investments - Securities: Page 3, Line 54****2003**

Description	Book Value
U.S. GOVERNMENT AND FEDERAL AGENCIES	715,584.
CORPORATE BONDS	985,424.
MUTUAL FUNDS	534,416.
CORPORATE STOCK	1,943,715.
	4,179,139.

US 990**Other Functional Expenses: Page 2, Line 43****2003**

Description of the Asset	Total	Program Services	Management and General	Fundraising
INSURANCE	1,418.		1,418.	
MISCELLANEOUS	652.	241.	281.	130.
DONOR RELATIONS	3,536.			3,536.
STAFF EXPENSE	1,899.	703.	816.	380.
DUES & SUBSCRIPTIONS	913.	338.	393.	182.
DEVELOPMENT	8,159.		4,080.	4,079.
	16,577.	1,282.	6,988.	8,307.

**THE DEPOT FOUNDATION
FEIN 41-1356072**

ATTACHMENT TO FORM 990

FORM 990, SCHEDULE A, PART IV-A, LINE 26F

PUBLIC SUPPORT TEST UNDER IRC SECTIONS 170(b)(1)(A)(vi) AND 509(a)(1)

***THE DEPOT FOUNDATION IS A PUBLICALLY SUPPORTED ORGANIZATION UNDER THE 10% FACTS AND CIRCUMSTANCES TEST AS FOLLOWS:**

***THE ACTUAL PERCENTAGE OF PUBLIC SUPPORT, AS MEASURED BY THE SUPPORT SCHEDULE OF FORM 990, IS OVER 20% FOR THE FOUR-YEAR TEST PERIOD OF JULY 1, 1999 THROUGH JUNE 30, 2003.**

(06/30/2002 - 22%; 06/30/2003 - 21%; 06/30/2004 - 25%)

***THE DEPOT FOUNDATION'S PUBLIC SUPPORT IS DERIVED FROM A REPRESENTATIVE NUMBER OF PERSONS, RATHER THAN FROM MEMBERS OF A SINGLE FAMILY.**

***THE DEPOT FOUNDATION'S GOVERNING BOARD IS COMPRISED OF COMMUNITY LEADERS AND PERSONS WITH EXPERTISE IN THE ORGANIZATION'S FIELD OF OPERATION; ALL OF WHICH ARE ELECTED TO SERVE ON THE BOARD.**

***THE DEPOT FOUNDATION PROVIDES SUPPORT FOR ARTS ORGANIZATIONS WHICH FURNISH SERVICES AND FACILITIES DIRECTLY TO THE PUBLIC. HERE IS A LIST OF THOSE ORGANIZATIONS:**

**HISTORIC UNION DEPOT
ST. LOUIS COUNTY HISTORICAL SOCIETY
MINNESOTA BALLET
LAKE SUPERIOR RAILROAD MUSEUM
DULUTH-SUPERIOR SYMPHONY ORCHESTRA
ARROWHEAD CHORALE
DULUTH CHILDREN'S MUSEUM
DULUTH ART INSTITUTE
DULUTH PLAYHOUSE
MATINEE MUSICALE**

***THE ACTIVITIES OF THE DEPOT FOUNDATION WILL APPEAL TO PERSONS HAVING BROAD COMMON INTEREST IN THE ART, CULTURE, AND HISTORY OF NORTHEASTERN MINNESOTA.**