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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2010

For calendar year 2010, or tax year beginning 01-01-2010 , and ending 12-31-2010

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

Name of foundation
THE JAMES & LORETTA COLOTTO FOUNDATION INC

A Employer identification number
22-3769926

Number and street (or P O box number if mail is not delivered to street address)
BOWEN BOWEN 907 MAIN STREET

Room/suite

B Telephone number (see page 10 of the instructions)
(201) 487-3937

City or town, state, and ZIP code
HACKENSACK, NJ 07601

C If exemption application is pending, check here ▶ ☐
D 1. Foreign organizations, check here ▶ ☐
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 ▶ ☐

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) ▶$ 3,539,980

J Accounting method ☐ Cash ☑ Accrual
☐ Other (specify)
(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) (see page 11 of the 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	146,992	146,992	146,992	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	32,637			
	b	Gross sales price for all assets on line 6a 767,553				
	7	Capital gain net income (from Part IV, line 2)		32,637		
	8	Net short-term capital gain			13,124	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	179,629	179,629	160,116	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	57,201	22,472		33,709
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)	775			
	b	Accounting fees (attach schedule)	8,210			739
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	3,944			
	19	Depreciation (attach schedule) and depletion	0			
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	1,425			
	24	**Total operating and administrative expenses.** Add lines 13 through 23	71,555	22,472		34,448
	25	Contributions, gifts, grants paid	185,500			185,500
	26	**Total expenses and disbursements.** Add lines 24 and 25	257,055	22,472		219,948
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-77,426			
	b	**Net investment income** (if negative, enter -0-)		157,157		
	c	**Adjusted net income** (if negative, enter -0-)			160,116	

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	137,754	65,116	65,116
	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 page 15 of the 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			
	10a	Investments—U S and state government obligations (attach schedule)	400,000		
	b	Investments—corporate stock (attach schedule)	1,992,375	2,507,680	2,510,905
	c	Investments—corporate bonds (attach schedule)	275,000	125,000	127,271
	11	Investments—land, buildings, and equipment basis ▶ ___ Less accumulated depreciation (attach schedule) ▶ ___			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	853,700	884,681	836,688
	14	Land, buildings, and equipment basis ▶ ___ Less accumulated depreciation (attach schedule) ▶ ___			
	15	Other assets (describe ▶ ___)	2		
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	3,658,831	3,582,477	3,539,980
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 ▶ ___)	54,667	55,742	
	23	**Total liabilities** (add lines 17 through 22)	54,667	55,742	
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	3,604,164	3,526,735	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	3,604,164	3,526,735	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	3,658,831	3,582,477	

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	3,604,164
2	Enter amount from Part I, line 27a	2	-77,426
3	Other increases not included in line 2 (itemize) ▶ ___	3	
4	Add lines 1, 2, and 3	4	3,526,738
5	Decreases not included in line 2 (itemize) ▶ ___	5	3
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,526,735

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	32,637
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 pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3	13,124

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 page 18 of 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))
2009			
2008			
2007			
2006			
2005			

2	**Total** of line 1, column (d).	2	
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5.	4	
5	Multiply line 4 by line 3.	5	
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	
7	Add lines 5 and 6.	7	
8	Enter qualifying distributions from Part XII, line 4.	8	

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 on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the 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	3,143
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	
3	Add lines 1 and 2	3	3,143
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	3,143
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 6a: 2,815		
b	Exempt foreign organizations—tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c:		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	2,815
8	Enter any **penalty** for underpayment of estimated tax Check here ☑ if Form 2220 is attached	8	3
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	331
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2011 estimated tax** ▶ 0 **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		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? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	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? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ ________			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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 page 20 of the instructions)	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶PETER BOWEN BOWEN & BOWEN Telephone no ▶(201) 487-3937

Located at ▶907 MAIN STREET HACKENSACK NJ ZIP+4 ▶07601

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		No

See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country ▶

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

	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☑ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		No
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ 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 page 20 of the instructions)	2b		No
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 2010 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 2010.)*	3b		No
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 2010?	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 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the 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 page 22 of the instructions)?	**5b**		**No**
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☑ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		**No**
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		**No**

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 page 22 of the instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
MICHAEL SCICUTELLA 290 COLUMBIA AVENUE FORT LEE, NJ 07024	Vice President 3 00	19,067		
PETER G BOWEN 907 MAIN STREET HACKENSACK, NJ 07601	President 3 00	19,067		
EUGENE H GILMARTIN 312 KINDERKAMACK ROAD WESTWOOD, NJ 07675	Secretary 3 00	19,067		

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

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

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
BOWEN & BOWEN 907 MAIN STREET HACKENSACK, NJ 07601	ACCOUNTING-PREP 990	8,210
Total number of others receiving over $50,000 for professional services. . . . . ▶		

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

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 INVESTMENT INCOME AND CORPUS DISTRIBUTED TO 501(c)(3) CHARITABLE ORGANIZATIONS	0
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see page 24 of the 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 page 24 of the instructions **3**	
Total. Add lines 1 through 3. . . . . ▶	

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	3,499,671
b	Average of monthly cash balances	1b	204,244
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	3,703,915
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	
3	Subtract line 2 from line 1d	3	3,703,915
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	55,559
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,648,356
6	**Minimum investment return.** Enter 5% of line 5	6	182,418

Part XI **Distributable Amount** (see page 25 of the 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	182,418
2a	Tax on investment income for 2010 from Part VI, line 5 — 2a: 3,143		
b	Income tax for 2010 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	3,143
3	Distributable amount before adjustments Subtract line 2c from line 1	3	179,275
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	179,275
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	179,275

Part XII **Qualifying Distributions** (see page 25 of the 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	219,948
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	219,948
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 page 26 of the instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	219,948

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				179,275
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only.				
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2010				
a From 2005.				
b From 2006. 7,603				
c From 2007. 61,306				
d From 2008. 22,637				
e From 2009. 40,956				
f **Total** of lines 3a through e.	132,502			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 219,948				
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .	0			
d Applied to 2010 distributable amount.				179,275
e Remaining amount distributed out of corpus	40,673			
5 Excess distributions carryover applied to 2010				
(If an amount appears in column (d), the same amount must be shown in column (a).)				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	173,175			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . .				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a	173,175			
10 Analysis of line 9				
a Excess from 2006. . . . 7,603				
b Excess from 2007. . . . 61,306				
c Excess from 2008. . . . 22,637				
d Excess from 2009. . . . 40,956				
e Excess from 2010. . . . 40,673				

Part XIV Private Operating Foundations (see page 27 of the 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 2010, 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)

	Tax year	Prior 3 years			
	(a) 2010	**(b)** 2009	**(c)** 2008	**(d)** 2007	**(e) Total**
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

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

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

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

Check here ▶☑ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

PETER G BOWEN
907 MAIN STREET
HACKENSACK, NJ 07601

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

LETTER FORM

c Any submission deadlines

9/30

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 *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				185,500
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) 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					
4 Dividends and interest from securities. . . .			14	146,992	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory					32,637
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				146,992	32,637

13 Total. Add line 12, columns (b), (d), and (e). 13 179,629

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)

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

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash	1a(1)		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 or fiduciary) is based on all information of which preparer has any knowledge

****** | 2011-03-09 | ******

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

		Date	Check if self-employed ☐	PTIN
Preparer's Signature	PETER G BOWEN CPA			
Firm's name	Bowen & Bowen		Firm's EIN	
Firm's address	907 Main St Hackensack, NJ 076014914		Phone no (201) 487-3937	

Additional Data

Software ID: 10000105
Software Version: 2010v3.2
EIN: 22-3769926
Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

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

	(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)
A	500 TEVA PHARM INDS	P	2008-08-13	2010-09-16
B	400 OCCIDENTAL PETROLEUM CORP	P	2008-04-03	2010-04-20
C	1000 COCA COLA	P	2005-05-20	2010-12-09
D	120 02 FRONTIER COMM CORP	P	2008-04-03	2010-07-13
E	100 CONNECTICUT WATER SVC INC	P	2004-04-01	2010-12-09
F	700 CONNECTICUT WATER SVC INC	P	2006-09-15	2010-12-09
G	400 BP PLC SPONS ADR	P	2008-04-03	2010-06-17
H	50000 PSEG POWER INTERNOTES	P	2009-01-20	2010-04-21
I	200000 FEDERAL FARM CREDIT BANK CON	P	2009-05-06	2010-06-04
J	200000 FEDERAL FARM CREDIT BANK	P	2009-03-25	2010-06-17
K	100000 CATERPILLAR FINL SVC	P	2009-03-23	2010-06-30
L	120 02 FRONTIER COMM	P	2009-10-27	2010-07-02
M	600 EMERSON ELECTRIC	P	2009-04-09	2010-02-02
N	500 COACH INC	P	2010-07-13	2010-10-27

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

	(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	26,212		23,592	2,620
B	34,095		30,578	3,517
C	63,843		45,379	18,464
D	810		1,183	-373
E	2,551		2,824	-273
F	17,856		16,690	1,166
G	12,349		25,457	-13,108
H	50,000		50,000	
I	200,000		200,000	
J	200,000		200,000	
K	107,500		100,000	7,500
L	810		920	-110
M	27,068		19,440	7,628
N	24,459		18,853	5,606

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	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
A				2,620
B				3,517
C				18,464
D				-373
E				-273
F				1,166
G				-13,108
H				
I				
J				
K				7,500
L				-110
M				7,628
N				5,606

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
CHRISTIAN FOUNDATION FOR CHILDREN A PO BOX 805105 KANSAS CITY, MO 64180	NONE	501c3	GENERAL USE	1,000
ST JOSEPH'S HOME FOR THE ELDERLY 140 SHEPHERD LANE TOTOWA, NJ 07512	NONE	501c3	GENERAL USE	4,500
PAULIST PRESS 997 MACARTHUR BOULEVARD MAHWAH, NJ 07430	NONE	501c3	GENERAL USE	3,000
HOLY REDEEMER HEALTH SYSTEM 667 WELSH ROAD HUNTINGDON VALLEY, PA 19006	NONE	501c3	GENERAL USE	3,000
CATHOLIC RELIEF SERVICES 228 W LEXINGTON ST BALTIMORE, MD 21201	NONE	501c3	GENERAL USE	22,000
OUR LADY OF MERCY 2 FREMONT AVE PARK RIDGE, NJ 07656	NONE	501c3	GENERAL USE	2,000
THE CITY OF SAINT JUDE 2048 WEST FAIRVIEW AVE MONTGOMERY, AL 36108	NONE	501c3	GENERAL USE	1,000
DOMINICAN SISTERS 3257 PARKSIDE PLACE BRONX, NY 10467	NONE	501c3	GENERAL USE	2,000
ST THOMAS THE APOSTLE CHURCH 24 MAPLE AVE CHERRY VALLEY, NY 13320	NONE	501c3	GENERAL USE	6,500
ST MARGARET 34 NORTH MAGNOLIA ST PEARL RIVER, NY 10965	NONE	501c3	GENERAL USE	2,000
MARYDELL FAITH LIFE CENTER 640 NO MIDLAND AVE NYACK, NY 10960	NONE	501c3	GENERAL USE	1,000
EMERGENCY FOOD COALITION 435 MAIN STREET PATERSON, NJ 07501	NONE	501c3	GENERAL USE	5,500
ST MARY OF THE ASSUMPTION 155 WASHINGTON AVENUE ELIZABETH, NJ 07202	NONE	501c3	GENERAL USE	10,000
ST PATRICK'S SCHOOL 509 BRAMHALL AVENUE JERSEY CITY, NJ 07304	NONE	501c3	GENERAL USE	11,000
ST PAUL'S GRAMMAR SCHOOL 218 NASSAU ST PRINCETON, NJ 08542	NONE	501c3	GENERAL USE	12,000
Total . . . . ▶ **3a**				185,500

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
MT CARMEL 73 NORTH CLINTON AVENUE TRENTON,NJ 08609	NONE	501C3	GENERAL USE	10,000
CATHOLIC CHARITIES 383 W STATE ST PO BOX 1423 TRENTON,NJ 08607	NONE	501C3	GENERAL USE	16,000
RENEW INTERNATIONAL 1232 GEORGE STREET PLAINFIELD,NJ 07062	NONE	501C3	GENERAL USE	20,000
MOUNT ST MARY'S SEMINARY 16300 OLD EMMITSBURG ROAD EMMITSBURG,MD 21727	NONE	501C3	GENERAL USE	5,000
TRINITY MISSIONS PO BOX 7130 SILVER SPRINGS,MD 20997	NONE	501C3	GENERAL USE	5,000
SMA FATHERS 23 BLISS STREET TENAFLY,NJ 07670	NONE	501C3	GENERAL USE	10,000
OUR LADY OF CZESTOCHOWA CHURCH 120 SUSSEX STREET JERSEY CITY,NJ 07302	NONE	501C3	GENERAL USE	2,000
ST CECILIA ROMAN CATHOLIC CHRC 55 DEMAREST AVENUE ENGLEWOOD,NJ 07631	NONE	501C3	GENERAL USE	10,000
ETERNAL WORD TELEVISION NETWORK 5817 OLD LEEDS ROAD ORANDALE,AL 35210	NONE	501C3	GENERAL USE	2,000
MERCY HOME FOR BOYS GIRLS 1140 WEST JACKSON BOULEVARD CHICAGO,IL 60607	NONE	501C3	GENERAL USE	18,000
ST PAUL APOSTLE CHURCH GREENVILLE AVENUE JERSEY CITY,NJ 07305	NONE	501C3	GENERAL USE	1,000
Total . . . . ▶ **3a**				185,500

TY 2010 Accounting Fees Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BOWEN & BOWEN	8,210	0	0	739

TY 2010 Contractor Compensation Explanation

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Contractor	Explanation
BOWEN & BOWEN	

TY 2010 Investments Corporate Bonds Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORPORATE BONDS ATT-1 PG 14 OF 25	125,000	127,271

TY 2010 Investments Corporate Stock Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Name of Stock	End of Year Book Value	End of Year Fair Market Value
PREFERRED STOCK ATT -1 PG 12 OF 25	314,563	305,628
STOCKS SEE ATT-1 PG 9 OF 25	2,193,117	2,205,277

TY 2010 Investments - Other Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
UNIT INVSTMNT TRSTS ATT -1 PG 13 OF 25	FMV	440,464	369,394
EXCHANGE TRADED FNDS ATT-1 PG 10 OF 25	FMV	159,217	176,186
CERT OF DEPOSIT ATT -1 PG 15 OF 25	FMV	285,000	291,108

TY 2010 Legal Fees Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
GILMARTIN ESQ	775	0	0	0

TY 2010 Other Decreases Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Description	Amount
ROUNDING	3

TY 2010 Other Expenses Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT EXPENSE	430			
DUES	995			

TY 2010 Other Liabilities Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Description	Beginning of Year - Book Value	End of Year - Book Value
ACCRD ACCOUNTING FEES	8,486	8,210

TY 2010 Taxes Schedule

Name: THE JAMES & LORETTA COLOTTO FOUNDATION INC

EIN: 22-3769926

Software ID: 10000105

Software Version: 2010v3.2

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAX	798			
EXCISE TAX	3,146			

MorganStanley SmithBarney

Ref: 00001188 00035968

Financial Management Account
December 1 - December 31, 2010

L10000001188 310365AJ01 PCAFL011A
THE JAMES & LORETTA COLOTTO
FOUNDATION,INC. ,
BOWEN,GILMATIN,SCICUTELLA TEE
ATTN: PETER G. BOWEN
907 MAIN STREET
HACKENSACK NJ 07601-4914

Account number 641-30648-14 092

Morgan Stanley Smith Barney LLC. Member SIPC.
Your Financial Advisor
JOHN LOCKE/TIM BECKEMEYER
140 E RIDGEWOOD AVE
NORTH TOWER-5TH FL
PARAMUS NJ 07652
201 967 6232
Website: www.smithbarney.com

FMA Client Services: 1-800-634-9855
Branch Phone: 800 526 0829
TTY/TDD Deaf & Hard of hearing: 800-227-4231

Account carried by Citigroup Global Markets Inc. Member SIPC.

Account value

	Last period	This period	%
Cash balance	$ 150.00	**$ 670.45**	.02
Money fund	201,819.55	**108,996.45**	3.04
Common stocks & options	2,139,815.98*	**2,205,277.17***	61.45
Exchange traded & closed end funds	130,931.80	**176,185.65**	4.91
Preferred stocks	308,678.80	**305,628.00**	8.52
Accrued interest on bonds/CDs	3,075.14	**4,284.66**	.12
Unit investment trusts	402,866.20	**369,393.61**	10.29
Corporate bonds	127,496.25	**127,271.25**	3.55
Certificates of deposit	291,954.00	**291,107.55**	8.11
Total value	**$ 3,606,787.72***	**$ 3,588,814.79***	**100.00**
Total value (excluding accrued interest)	$ 3,603,712.58*	$ 3,584,530.13*	

**Does not include unpriced securities*

Cash, money fund, bank deposits

	This period	This year
Opening balance	**$ 201,969.55**	
Securities bought and other subtractions	(83,126.33)	
Securities sold and other additions	84,250.44	
Deposits	0.00	206.59
Withdrawals	0.00	(1.75)
Checks written	(136,000.00)	(212,637.45)
Interest credited	4,050.86	
Return of principal credited	26,907.36	
Dividends credited	11,605.54	
Money fund earnings reinvested	9.48	
Closing balance	**$ 109,666.90**	

A free credit balance in any securities account may be paid to you on demand. Although properly accounted for, these funds may be used for business purposes.

Earnings summary

	This period	This year
Interest	$ 4,050.86	$ 68,423.79
Accrued interest received	0.00	5,031.65
Other dividends	11,928.06	72,649.28
Money fund earnings	9.48	680.94
Total	**$ 15,988.40**	**$ 146,785.66**

Portfolio summary

	This period	This year
Beginning total value (excl. accr. int.)	**$ 3,603,712.58**	**$ 3,480,804.16**
Net security deposits/withdrawals	0.00	0.00
Net cash deposits/withdrawals	(136,000.00)	(212,432.61)
Beginning value net of deposits/withdrawals	**3,467,712.58**	**3,268,371.55**
Total value as of 12/31/2010 (excl. accr. int.)	**$ 3,584,530.13**	**$ 3,584,530.13**
Change in value	**$ 116,817.55**	**$ 316,158.58**

Additional summary information

		This period	This year
Return of principal		$ 26,907.36	$ 70,065.98
FRGN tax withheld		322.52	797.52

Gain/loss summary

		This period	This year
Original Realized gain or (loss)		$ 19,357.35	$ 19,513.48 LT $ 13,123.30 ST
Adjusted Realized gain or (loss)		19,357.35	19,513.48 LT 13,123.30 ST
Capital gain or (loss) (realized)		19,357.35	32,636.78
Unrealized gain or (loss) to date	28,393.51		

PORTFOLIO DETAILS

Your holdings are valued using the most current prices available to Citigroup Global Markets Inc. (CGMI). In most cases, these values are as of 12/31/10, but in some cases CGMI's sources are unable to provide timely information. To see the date of the most recent price update, please view your account online at www.smithbarney.com.

Securities purchased or sold are included or excluded in this section as of the trade-date. This section may include securities that have not settled as of this statement closing date. Please see the "Unsettled Purchases/Sales" section for more information. Dividend yield is the estimated annual income, assuming the current dividend, divided by the security's market price at the end of the statement period. We do not guarantee the accuracy of the prices reflected on the statement nor do these prices represent levels at which securities can be bought or sold.
Please Note: *unrealized gain/(loss) is being shown for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.*

Money fund

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at $1.00 per share, there can be no assurance that will occur and it is possible to lose money should the fund value per share fall. Moreover, in some circumstances money market funds may be forced to cease operations when the value of a fund drops below $1.00 per share. In that event, the fund's holdings would be liquidated and distributed to the fund's shareholders. This liquidation process could take up to one month or more. During that time, these funds would not be available to you to support purchases, withdrawals, and if applicable, check writing or ATM debits from your account.

Number of shares	Description	Current value	Accrued dividends	Annualized % dividend yield	Anticipated income (annualized)
40,311.81	WESTERN ASSET MONEY MARKET FUND CLASS A	$ 40,311.81		.06%	$ 24.18
68,684.64	WESTERN ASSET GOVERNMENT MONEY MARKET FUND CLASS A	$ 68,684.64		.04%	$ 27.47
Total money fund		$ 108,996.45	$ 0.00	.04%	$ 51.65

MorganStanley SmithBarney

Ref: 00001188 00035970

Financial Management Account

December 1 - December 31, 2010

THE JAMES & LORETTA COLOTTO **Account number 641-30648-14 092**

Common stocks & options

Citi Investment Research & Analysis (CIRA), Morgan Stanley & Co. Incorporated (Morgan Stanley) and Standard & Poor's research ratings may be shown for certain securities. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Because the research report contains more complete information regarding the analyst's opinions, analysis, and rating, you should read the entire research report and not infer its contents from the rating. Where a particular company is covered by both CIRA and Morgan Stanley, you can and should view both research reports. CIRA and Morgan Stanley research reports may contain different or conflicting information about the subject companies of such research reports because they are prepared separately from each other. CIRA stock recommendations include an investment rating and a risk rating. The Investment Rating Code (1, 2 or 3) is a function of CIRA's expectation of total return (forecast price appreciation and dividend yield within the next twelve months) and a Risk Rating. The Risk Rating (L, M, H or S) represents the stock's expected risk, taking into account price volatility and fundamental criteria. In addition, CIRA may place covered stocks "Under Review" in response to exceptional circumstances (e.g. lack of information critical to the analyst's thesis) affecting the company and/or trading in the company's securities (e.g. trading suspension). Stocks placed "Under Review" by CIRA will be monitored daily by CIRA management. As soon as practically possible, CIRA will publish a note re-establishing a rating and investment thesis. Please refer to the end of this statement for a guide describing CIRA ratings. Morgan Stanley and Standard & Poor's research ratings have been normalized by these providers to a 1 (Buy), 2 (Hold), and 3 (Sell). Morgan Stanley Smith Barney is not the author of, does not take responsibility for, and does not guarantee the accuracy, completeness, or timeliness of research prepared by Standard & Poor's.

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
1,308.0591	AT&T INC	T	04/01/04	$ 27,238.41	$ 20.828	$ 29.38	$ 38,430.78	$ 11,192.37# LT *i*		
691.9409	**Rating:** Citigroup : 2M		06/02/04	17,099.81	24.712	29.38	20,329.22	3,229.41* LT		
1,000	Morgan Stanley : 1 S&P : 1		09/16/10	28,473.92	27.985	29.38	29,380.00	906.08 ST		
3,000				**72,812.14**	**24.271**		**88,140.00**	**15,327.86**	**5.854**	**5,160.00**
500	ABBOTT LABORATORIES	ABT	09/21/09	23,608.77	46.568	47.91	23,955.00	346.23 LT		
500	**Rating:** Citigroup : 2M		07/13/10	24,350.33	47.827	47.91	23,955.00	(395.33) ST		
1,000	Morgan Stanley : 1 S&P : 1			**47,959.10**	**47.959**		**47,910.00**	**(49.10)**	**3.673**	**1,760.00**
300	ALLERGAN INC **Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 1	AGN	07/13/10	**20,315.29**	66.451	68.67	**20,601.00**	**285.71** ST	**.291**	**60.00**
1,000	ALTRIA GROUP INC	MO	11/11/09	19,298.30	18.977	24.62	24,620.00	5,321.70 LT		
1,000	**Rating:** Citigroup : 2M		12/23/09	20,502.76	20.147	24.62	24,620.00	4,117.24 LT		
2,000	Morgan Stanley : 2 S&P : 1			**39,801.06**	**19.901**		**49,240.00**	**9,438.94**	**6.173**	**3,040.00**
750	AMERICAN ELECTRIC POWER CO INC **Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 1	AEP	11/11/09	**24,156.96**	31.747	35.98	**26,985.00**	**2,828.04** LT	**5.113**	**1,380.00**
24.5	AMERICAN INTL GROUP INC	AIG	04/01/04	32,662.45	1,333.161	57.62	1,411.69	(31,250.76)#LT *i*		
25.5			05/18/05	27,464.11	1,077.023	57.62	1,469.31	(25,994.80) LT		
50				**60,126.56**	**1,202.531**		**2,881.00**	**(57,245.56)**		
500	AMERISOURCEBERGEN CORP **Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 1	ABC	07/13/10	**16,566.02**	32.497	34.12	**17,060.00**	**493.98** ST	**1.172**	**200.00**

Financial Management Account
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THE JAMES & LORETTA COLOTTO — Account number 641-30648-14 092

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
1,000	APPLIED MATERIALS INC DELAWARE **Rating:** Citigroup : 2M Morgan Stanley : 1 S&P : 1	AMAT	10/27/09	**$ 13,093.87**	$ 12.837	$ 14.05	**$ 14,050.00**	**$ 956.13** LT	**1.992 %**	**$ 280.00**
500	AUTOMATIC DATA PROCESSING INC. **Rating:** Citigroup : 1L Morgan Stanley : 3 S&P : 1	ADP	09/21/09	**19,896.55**	39.208	46.28	**23,140.00**	**3,243.45** LT	**3.111**	**720.00**
100	BP PLC SPONS ADR	BP	04/03/08	6,364.19	62.826	44.17	4,417.00	(1,947.19) LT		
300	**Rating:** Morgan Stanley : 3		04/20/10	18,510.63	60.459	44.17	13,251.00	(5,259.63) ST		
400	S&P : 2			**24,874.82**	**62.187**		**17,668.00**	**(7,206.82)**		
500	BANK OF AMERICA CORP	BAC	02/22/07	27,139.67	53.58	13.34	6,670.00	(20,469.67) LT		
500	**Rating:** Citigroup : 1H		04/04/07	25,700.38	50.72	13.34	6,670.00	(19,030.38) LT		
1,000	Morgan Stanley : 1 S&P : 2			**52,840.05**	**52.84**		**13,340.00**	**(39,500.05)**	**.299**	**40.00**
500	BEMIS CO INC **Rating:** Citigroup : 1M S&P : 1	BMS	07/13/10	**14,418.92**	28.277	32.66	**16,330.00**	**1,911.08** ST	**2.816**	**460.00**
1,000	BRISTOL MYERS SQUIBB CO	BMY	03/25/09	21,328.73	20.988	26.48	26,480.00	5,151.27 LT		
500	**Rating:** Citigroup : 1M		04/20/10	12,965.98	25.389	26.48	13,240.00	274.02 ST		
1,500	Morgan Stanley : 2 S&P : 2			**34,294.71**	**22.863**		**39,720.00**	**5,425.29**	**4.984**	**1,980.00**
500	CVS CAREMARK CORP	CVS	04/25/06	14,646.97	28.89	34.77	17,385.00	2,738.03 LT		
500	**Rating:** Citigroup : 1M		07/13/10	15,543.47	30.487	34.77	17,385.00	1,841.53 ST		
1,000	Morgan Stanley : 2 S&P : 1			**30,190.44**	**30.19**		**34,770.00**	**4,579.56**	**1.006**	**350.00**
100	CHICAGO MILWAUKEE CORP-ESCROW-			Please provide			Unpriced	Not available		
550	CITIGROUP INC	C	04/01/04	**27,805.25**	50.555	4.73	**2,601.50**	**(25,203.75)** LT		
500	COCA-COLA CO **Rating:** Citigroup : 1L S&P : 1	KO	11/21/05	**21,410.81**	42.21	65.77	**32,885.00**	**11,474.19** LT	**2.675**	**880.00**
950	COMPANHIA SIDERURGICA NACIONAL SPONSORED ADR REPSTG ORD SHS -USD-	SID	12/23/09	**15,062.83**	15.588	16.67	**15,836.50**	**773.67** LT	**3.455**	**547.20**
1,050	CONAGRA FOODS INC **Rating:** Citigroup : 1M Morgan Stanley : 2 S&P : 2	CAG	12/23/09	**24,752.15**	23.197	22.58	**23,709.00**	**(1,043.15)** LT	**4.074**	**966.00**

Ref: 00001188 00035972

MorganStanley SmithBarney

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Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
400	CONSOLIDATED EDISON INC	ED	03/07/08	$ 16,468.45	$ 40.659	$ 49.57	$ 19,828.00	$ 3,359.55 LT		
600	**Rating:** Citigroup : 1L		08/13/08	24,274.59	39.898	49.57	29,742.00	5,467.41 LT		
1,000	Morgan Stanley : 3 S&P : 2			**40,743.04**	**40.743**		**49,570.00**	**8,826.96**	**4.801**	**2,380.00**
400	DIAGEO PLC SPON ADR-NEW	DEO	06/03/09	22,093.73	54.476	74.33	29,732.00	7,638.27 LT		
300	**Rating:** Morgan Stanley : 1		07/26/10	21,628.67	70.679	74.33	22,299.00	670.33 ST		
700	S&P : 1			**43,722.40**	**62.461**		**52,031.00**	**8,308.60**	**3.18**	**1,654.80**
1,000	DOMINION RESOURCES INC VA NEW **Rating:** Citigroup : 2M Morgan Stanley : 2 S&P : 2	D	06/03/09	**32,102.55**	31.682	42.72	**42,720.00**	**10,617.45** LT	**4.283**	**1,830.00**
850	DOW CHEMICAL CO **Rating:** Citigroup : 1H Morgan Stanley : 1 S&P : 2	DOW	04/09/09	**9,478.68**	10.928	34.14	**29,019.00**	**19,540.32** LT	**1.757**	**510.00**
800	E I DU PONT DE NEMOURS & CO	DD	04/09/09	21,411.14	26.328	49.88	39,904.00	18,492.86 LT		
500	**Rating:** Citigroup : 1M		07/13/10	19,053.36	37.388	49.88	24,940.00	5,886.64 ST		
1,300	Morgan Stanley : 2 S&P : 3			**40,464.50**	**31.127**		**64,844.00**	**24,379.50**	**3.287**	**2,132.00**
1,000	DUKE ENERGY CORP (HOLDING COMPANY) NEW **Rating:** Citigroup : 2M Morgan Stanley : 3 S&P : 2	DUK	09/15/06	**17,921.12**	17.921	17.81	**17,810.00**	**(111.12)** LT	**5.502**	**980.00**
500	EXELON CORP **Rating:** Citigroup : 2M Morgan Stanley : 2 S&P : 1	EXC	12/23/09	**24,883.52**	49.054	41.64	**20,820.00**	**(4,063.52)** LT	**5.043**	**1,050.00**
500	EXXON MOBIL CORP	XOM	04/01/04	20,449.39	40.899	73.12	36,560.00	16,110.61# LT /		
500	**Rating:** Citigroup : 1M		11/21/05	29,682.26	58.62	73.12	36,560.00	6,877.74 LT		
1,000	Morgan Stanley : 2 S&P : 1			**50,131.65**	**50.132**		**73,120.00**	**22,988.35**	**2.407**	**1,760.00**
1,000	FIRSTENERGY CORP **Rating:** Citigroup : 2M Morgan Stanley : 2 S&P : 1	FE	06/03/09	**39,102.04**	38.648	37.02	**37,020.00**	**(2,082.04)** LT	**5.942**	**2,200.00**
1,000	FORD MOTOR COMPANY **Rating:** Citigroup : 2H Morgan Stanley : 1 S&P : 2	F	01/06/10	**11,653.73**	11.397	16.79	**16,790.00**	**5,136.27** ST		

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
500	GENERAL ELECTRIC CO	GE	05/26/05	$ 18,723.81	$ 37.00	$ 18.29	$ 9,145.00	($ 9,578.81) LT		
300	**Rating:** Citigroup : 1M		09/15/06	10,668.72	34.89	18.29	5,487.00	(5,181.72) LT		
700	Morgan Stanley : 1		08/13/08	20,781.13	29.238	18.29	12,803.00	(7,978.13) LT		
1,500	S&P : 1			**50,173.66**	**33.449**		**27,435.00**	**(22,738.66)**	**3.061**	**840.00**
600	GENERAL MILLS INC	GIS	10/01/08	**21,172.42**	34.864	35.59	**21,354.00**	**181.58** LT	**3.146**	**672.00**
	Rating: Citigroup : 1M									
	Morgan Stanley : 1									
	S&P : 1									
100	HEARTLAND TECHNOLOGY INC			Please provide			Unpriced	Not available		
1,000	H J HEINZ CO	HNZ	05/25/05	**37,987.69**	37.57	49.46	**49,460.00**	**11,472.31** LT	**3.639**	**1,800.00**
	Rating: Citigroup : 1M									
	Morgan Stanley : 1									
	S&P : 2									
625	HOME DEPOT INC	HD	09/27/10	**20,175.79**	31.677	35.06	**21,912.50**	**1,736.71** ST	**2.695**	**590.63**
	Rating: Citigroup : 1M									
	S&P : 2									
500	HUDSON CITY BANCORP INC	HCBK	04/20/10	7,431.02	14.487	12.74	6,370.00	(1,061.02) ST		
500	**Rating:** Morgan Stanley : 2		07/26/10	6,211.10	12.087	12.74	6,370.00	158.90 ST		
1,000	S&P : 1			**13,642.12**	**13.642**		**12,740.00**	**(902.12)**	**4.709**	**600.00**
425	ILLINOIS TOOL WORKS INC	ITW	09/27/10	20,414.04	47.135	53.40	22,695.00	2,280.96 ST		
200	**Rating:** Citigroup : 1M		12/09/10	10,332.50	50.627	53.40	10,680.00	347.50 ST		
625	Morgan Stanley : 1			**30,746.54**	**49.194**		**33,375.00**	**2,628.46**	**2.546**	**850.00**
	S&P : 1									
1,000	INTEL CORP	INTC	04/20/10	**24,502.81**	24.035	21.03	**21,030.00**	**(3,472.81)** ST	**2.995**	**630.00**
	Rating: Citigroup : 1M									
	Morgan Stanley : 1									
	S&P : 1									
250	INTL BUSINESS MACHINES CORP	IBM	04/01/04	**24,676.25**	98.705	146.76	**36,690.00**	**12,013.75#**LT	**1.771**	**650.00**
	Rating: Citigroup : 1M									
	Morgan Stanley : 2									
	S&P : 1									
600	JOHNSON & JOHNSON	JNJ	04/01/04	30,480.00	50.80	61.85	37,110.00	6,630.00# LT		
900	**Rating:** Citigroup : 1L		05/19/05	61,128.97	67.39	61.85	55,665.00	(5,463.97) LT		
500	Morgan Stanley : 2		04/04/07	30,978.88	61.20	61.85	30,925.00	(53.88) LT		
2,000	S&P : 2			**122,587.85**	**61.294**		**123,700.00**	**1,112.15**	**3.492**	**4,320.00**
400	KELLOGG CO	K	02/03/10	22,484.71	55.117	51.08	20,432.00	(2,052.71) ST		
300	**Rating:** Citigroup : 1L		07/26/10	15,690.00	51.227	51.08	15,324.00	(366.00) ST		
700	Morgan Stanley : 1			**38,174.71**	**54.535**		**35,756.00**	**(2,418.71)**	**3.171**	**1,134.00**
	S&P : 2									

THE JAMES & LORETTA COLOTTO   Account number 641-30648-14 092

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
700	KIMBERLY CLARK CORP	KMB	08/13/08	$ 43,302.71	$ 61.216	$ 63.04	$ 44,128.00	$ 825.29 LT		
300	**Rating:** Citigroup : 1L		07/26/10	19,585.74	63.98	63.04	18,912.00	(673.74) ST		
1,000	S&P : 2			**62,888.45**	**62.888**		**63,040.00**	**151.55**	**4.187**	**2,640.00**
500	KRAFT FOODS INC CLASS A **Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 2	KFT	09/09/08	**16,858.77**	33.198	31.51	**15,755.00**	**(1,103.77)** LT	**3.681**	**580.00**
700	ELI LILLY & CO	LLY	10/27/09	24,360.60	34.308	35.04	24,528.00	167.40 LT		
300	**Rating:** Citigroup : 2H		04/20/10	11,189.03	36.507	35.04	10,512.00	(677.03) ST		
1,000	Morgan Stanley : 3 S&P : 2			**35,549.63**	**35.55**		**35,040.00**	**(509.63)**	**5.593**	**1,960.00**
390	LOUISIANA PACIFIC CORP **Rating:** S&P : 2	LPX	04/01/04	**10,138.05**	25.995	9.46	**3,689.40**	**(6,448.65)**# LT		
500	LOWES COMPANIES INC **Rating:** Citigroup : 2M S&P : 2	LOW	12/24/07	**11,952.82**	23.488	25.08	**12,540.00**	**587.18** LT	**1.754**	**220.00**
500	MCDONALDS CORP **Rating:** Citigroup : 2L Morgan Stanley : 2 S&P : 2	MCD	09/09/08	**32,323.30**	63.876	76.76	**38,380.00**	**6,056.70** LT	**3.178**	**1,220.00**
500	MERCK & CO INC NEW **Rating:** Citigroup : 1M Morgan Stanley : 3	MRK	07/13/10	**18,647.29**	36.589	36.04	**18,020.00**	**(627.29)** ST	**4.217**	**760.00**
666	MIDDLESEX WATER CO	MSEX	04/01/04	**13,752.90**	20.65	18.35	**12,221.10**	**(1,531.80)**# LT	**3.978**	**486.18**
325	NORFOLK SOUTHERN CORP	NSC	04/20/10	19,879.64	59.947	62.82	20,416.50	536.86 ST		
375	**Rating:** Morgan Stanley : 2		07/26/10	21,875.58	57.191	62.82	23,557.50	1,681.92 ST		
700	S&P : 1			**41,755.22**	**59.65**		**43,974.00**	**2,218.78**	**2.292**	**1,008.00**
500	NOVARTIS AG ADR	NVS	09/21/09	24,641.34	48.617	58.95	29,475.00	4,833.66 LT		
500	**Rating:** Citigroup : 1L		07/26/10	25,073.85	49.197	58.95	29,475.00	4,401.15 ST		
1,000	Morgan Stanley : 1 S&P : 2			**49,715.19**	**49.715**		**58,950.00**	**9,234.81**	**2.804**	**1,653.00**
300	NUCOR CORP **Rating:** Citigroup : 1H Morgan Stanley : 2 S&P : 2	NUE	07/26/10	**12,174.02**	39.727	43.82	**13,146.00**	**971.98** ST	**3.308**	**435.00**
39	PNC FINANCIAL SERVICES GROUP **Rating:** Citigroup : 2H Morgan Stanley : 1 S&P : 1	PNC	05/24/05	**34,575.98**	891.11	60.72	**2,368.08**	**(32,207.90)** LT	**.658**	**15.60**

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Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
625	PEPSICO INC	PEP	04/01/04	$ 28,203.62	$ 45.126	$ 65.33	$ 40,831.25	$ 12,627.63# LT *i*		
375	**Rating:** Citigroup : 2L		05/25/05	21,668.01	56.99	65.33	24,498.75	2,830.74 LT		
1,000	S&P : 1			**49,871.63**	**49.872**		**65,330.00**	**15,458.37**	**2.938**	**1,920.00**
1,000	PFIZER INC	PFE	04/01/04	35,655.00	35.655	17.51	17,510.00	(18,145.00)#LT *i*		
1,000	**Rating:** Citigroup : 2H		07/26/10	15,097.99	14.787	17.51	17,510.00	2,412.01 ST		
2,000	Morgan Stanley : 1 S&P : 1			**50,752.99**	**25 376**		**35,020.00**	**(15,732.99)**	**4.568**	**1,600.00**
1,000	PIEDMONT NATURAL GAS **Rating:** S&P*Quantitative : 3	PNY	06/06/05	**24,158.89**	23.82	27.96	**27,960.00**	**3,801.11** LT	**4.005**	**1,120.00**
300	PROCTER & GAMBLE CO	PG	09/15/06	18,715.78	61.43	64.33	19,299.00	583.22 LT		
700	**Rating:** Citigroup : 1L		04/03/08	49,692.83	70.256	64.33	45,031.00	(4,661.83) LT		
1,000	Morgan Stanley : 2 S&P : 1			**68,408.61**	**68.409**		**64,330.00**	**(4,078.61)**	**2.995**	**1,927.00**
750	PUBLIC SERVICE ENTERPRISE GRP **Rating:** Citigroup : 2M Morgan Stanley : 3 S&P : 1	PEG	10/27/10	**24,596.78**	32.247	31.81	**23,857.50**	**(739.28)** ST	**4.306**	**1,027.50**
400	ROYAL DUTCH SHELL PLC ADR	RDSA	06/02/04	19,130.00	47.825	66.78	26,712.00	7,582.00* LT		
400	CL A		06/03/09	21,848.43	53.868	66.78	26,712.00	4,863.57 LT		
800	**Rating:** Morgan Stanley : 2 S&P : 2			**40,978.43**	**51.223**		**53,424.00**	**12,445.57**	**4.276**	**2,284.80**
1,000	SOUTHERN CO **Rating:** Citigroup : 2L Morgan Stanley : 2 S&P : 2	SO	06/03/09	**28,870.01**	28.468	38.23	**38,230.00**	**9,359.99** LT	**4.76**	**1,820.00**
500	SYSCO CORP	SYY	05/31/05	18,855.50	37.15	29.40	14,700.00	(4,155.50) LT		
500	**Rating:** Citigroup : 2M		10/25/05	16,324.22	32.14	29.40	14,700.00	(1,624.22) LT		
1,000	Morgan Stanley : 2 S&P : 2			**35,179.72**	**35.18**		**29,400.00**	**(5,779.72)**	**3.537**	**1,040.00**
400	3M COMPANY **Rating:** Citigroup : 2M Morgan Stanley : 1 S&P : 2	MMM	12/09/10	**34,437.12**	84.71	86.30	**34,520.00**	**82.88** ST	**2.433**	**840.00**
575	TOTAL S.A SPONS ADR **Rating:** S&P : 1	TOT	09/27/10	**29,984.86**	51.267	53.48	**30,751.00**	**766.14** ST	**4.642**	**1,427.73**
29	TRAVELERS COMPANIES INC **Rating:** Citigroup : 2M Morgan Stanley : 1 S&P : 1	TRV	04/01/04	**1,203.93**	41.515	55.71	**1,615.59**	**411.66**#LT *i*	**2.584**	**41.76**

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Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
500	UNITED PARCEL SERVICE CL B **Rating:** Morgan Stanley : 2 S&P : 1	UPS	04/04/07	**$ 35,333.66**	$ 69.868	$ 72.58	**$ 36,290.00**	**$ 956.34** LT	2.59%	**$ 940.00**
500	VERIZON COMMUNICATIONS	VZ	04/03/08	17,898.50	35.797	35.78	17,890.00	(8.50) LT		
500	**Rating:** Citigroup : 1M		10/27/09	13,914.78	27.829	35.78	17,890.00	3,975.22 LT		
1,000	Morgan Stanley : 2		07/26/10	28,723.14	28.199	35.78	35,780.00	7,056.86 ST		
1,000	S&P : 2		09/16/10	31,772.99	31.247	35.78	35,780.00	4,007.01 ST		
3,000				**92,309.41**	**30.77**		**107,340.00**	**15,030.59**	**5.449**	**5,850.00**
150	VISA INC COM CL A	V	10/27/09	11,203.81	73.823	70.38	10,557.00	(646.81) LT		
100	**Rating:** Citigroup : 2M		04/20/10	9,541.24	93.287	70.38	7,038.00	(2,503.24) ST		
250	Morgan Stanley : 1 S&P : 1			**20,745.05**	**82.98**		**17,595.00**	**(3,150.05)**	**.852**	**150.00**
500	WALGREEN CO NEW **Rating:** Citigroup : 3H Morgan Stanley : 1 S&P : 1	WAG	10/17/07	**19,421.38**	38.27	38.96	**19,480.00**	**58.62** LT	**1.796**	**350.00**
1,000	WEINGARTEN RLTY INVS SBI **Rating:** Citigroup : 1M S&P : 2	WRI	08/02/05	**38,008.51**	37.70	23.76	**23,760.00**	**(14,248.51)** LT	**4.377**	**1,040.00**
300	YORK WATER CO **Rating:** S&P*Quantitative : 3	YORW	04/01/04	**4,100.00**	13.667	17.29	**5,187.00**	**1,087.00#**LT /	**3.03**	**157.20**
Total common stocks and options				**$ 2,193,113.20**			**$ 2,205,277.17**	**$ 26,018.44** ST** **($ 13,854.47)**LT**	**3.57**	**$ 78,920.40**

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Exchange traded & closed end funds

Citi Investment Research & Analysis (CIRA) ratings may be shown for certain closed-end funds. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Because the research report contains more complete information regarding the analyst's opinions, analysis, and rating, you should read the entire research report and not infer its contents from the rating. CIRA closed-end fund recommendations include an investment rating and a risk rating. The Investment Rating code (1,2, 3) is based upon CIRA's expectation of the security's performance relative to its peer group of closed-end funds. The Risk Rating (L, M, H or S) represents the fund's expected risk, taking into account the quality and liquidity of the underlying securities, financial leverage and foreign currency exposure. Please refer to the end of this statement for a guide describing CIRA ratings.

Closed end investment companies are grouped below by portfolio designations. Gain/Loss is provided to assist in tax preparation. It is not intended to calculate investment returns or performance.

Consulting Group Research (CGR) conducts on-going research on a wide variety of exchange-traded funds for certain investment advisory programs. Your individual exchange-traded fund holdings in your brokerage account may or may not be covered by CGR. Please contact your Financial Advisor for further information regarding whether your exchange-traded fund holdings are covered by CGR.

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
185	ISHARES TR RUSSELL MIDCAP INDEX FD Equity portfolio	IWR	10/15/09	$ 15,144.11	$ 80.888	$ 101.75	$ 18,823.75	$ 3,679.64 LT		
125			10/27/09	9,905.00	78.363	101.75	12,718.75	2,813.75 LT		
225			12/09/10	22,899.99	99.924	101.75	22,893.75	(6.24) ST		
535				**47,949.10**	**89.624**		**54,436.25**	**6,487.15**	**1.452**	**790.73**
675	ISHARES DOW JONES U S TECH INDEX FD Equity portfolio	IYW	09/27/10	**39,901.87**	58.224	64.38	**43,456.50**	**3,554.63** ST	**.427**	**185.63**
45	ISHARES TR S&P SM CAP 600 INDX FUND Equity portfolio	IJR	10/15/09	2,543.20	54.16	68.47	3,081.15	537.95 LT		
100			10/27/09	5,308.55	52.025	68.47	6,847.00	1,538.45 LT		
225			12/09/10	15,456.72	67.37	68.47	15,405.75	(50.97) ST		
370				**23,308.47**	**62.996**		**25,333.90**	**2,025.43**	**1.076**	**272.69**
500	ISHARES TR S&P GLOBAL UTIL INDEX FD Equity portfolio	JXI	09/16/10	**22,787.53**	44.744	45.08	**22,540.00**	**(247.53)** ST	**4.236**	**955.00**
475	ISHARES DOW JONES U.S. PHARMACEUTICAL INDEX FUND Equity portfolio	IHE	10/27/09	**25,269.58**	52.495	64.04	**30,419.00**	**5,149.42** LT	**1.389**	**422.75**
Total closed end fund equity allocation							**$ 176,185.65**			
Total exchange traded funds and closed end funds				**$ 159,216.55**			**$ 176,185.65**	**$ 3,249.89 ST**	**1.49**	
								$ 13,719.21 LT		**$ 2,626.80**

MorganStanley SmithBarney

Ref: 00001186 00035978

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Preferred stocks

Citi Investment Research & Analysis (CIRA) ratings may be shown for certain securities. In addition, Standard & Poor's research ratings may be shown for certain securities. CIRA is not the author of, does not take responsibility for, and does not guarantee the accuracy, completeness, or timeliness of research prepared by Standard & Poor's. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. CIRA stock recommendations include an investment rating and risk rating. The Investment Rating Code (1, 2 or 3) is a function of CIRA's expectation of total return (forecast price appreciation and dividend yield within the next 12 months) and a Risk Rating. The Risk Rating (L, M, H or S) represents the stock's expected risk, taking into account price volatility and fundamental criteria. Please refer to the end of this statement for a guide describing CIRA ratings.

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
3,000	BAC CAPITAL TR VIII 6.0% Rated BB	BACPRZ	08/17/05	$ 75,000.00	$ 25.00	$ 21.57	$ 64,710.00	($ 10,290.00) LT	6.954 %	$ 4,500.00
1,200	BB&T CAPITAL TRUST V 8.95% Rated BBB Next call on 09/15/13	BBTPRA	01/05/09	30,412.29	24.99	27.45	32,940.00	2,527.71 LT	8.151	2,685.00
1,200	BANK OF AMERICA CORP 8.20% REP 1/1,000TH OWNERSHIP INT NON-CUM PREFERRED STOCK SER H Rated BB Next call on 05/01/13	BACPRH	01/05/09	27,714.55	22.76	25.50	30,600.00	2,885.45 LT	8.039	2,460.00
1,000	CITIGROUP CAPITAL XVI 6.45% Rated BB- Next call on 12/31/11	CPRW	11/15/06	25,000.00	25.00	22.90	22,900.00	(2,100.00) LT	7.041	1,612.50
2,000	DEUTSCHE BK CAP FDG TR 6.375% VIII Rated BBB Next call on 10/18/11	DUA	09/08/10	48,066.54	23.69	22.45	44,900.00	(3,166.54) ST	7.099	3,187.50
1,000	GENERAL ELEC CAP CORP PINES 6.1% Rated AA+ Next call on 01/20/11	GEC	04/01/04	26,115.00	26.115	25.23	25,230.00	(885.00)#LT i	6.044	1,525.00
1,200	GENERAL ELEC CAP CORP 6.625% PINES Rated AA+ Next call on 01/05/11	GEA	01/05/09	28,993.86	23.817	25.48	30,576.00	1,582.14 LT	6.50	1,987.50
1,000	MORGAN STANLEY CP TR IV 6.25% PFD Rated BBB Next call on 01/05/11	MWG	10/17/06	24,966.06	24.597	22.80	22,800.00	(2,166.06) LT	6.853	1,562.50

Preferred stocks *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
1,200	SUNTRUST CAPITAL IX 7.875% TRUST PFD Rated BB Next call on 03/15/13	STIPRZ	01/05/09	$ 28,294.26	$ 23.239	$ 25.81	$ 30,972.00	$ 2,677.74 LT	7.627 %	$ 2,362.50
Total preferred stocks				$ 314,562.56			$ 305,628.00	($ 3,166.54) ST	7.15	
								($ 5,768.02) LT		$ 21,882.50

Unit investment trusts

This section shows the cost basis and unrealized gains/losses for eligible unit investment trusts. Please note that unrealized gains/losses are provided for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Number of units	Description	Date acquired	Cost/ Adjusted cost	Share cost	Current price	Current value	Unrealized gain/(loss)/ Adjusted Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
100	UTS TAX EXEMPT SECS TR # 247M NATIONAL TR-MTHLY PMT		Please provide		$ 326.01	$ 32,601.00	Not available	6.404 %	$ 2,088.00
50	UTS TAX EXEMPT SECS TR #259 M NATIONAL SER MTHLY-PMT		Please provide		611.78	30,589.00	Not available	7.159	2,190.00
10	UTS TAX EXEMPT SECS TR # 287 M NATL TR-MTHLY PMT		Please provide		747.87	7,478.70	Not available	5.952	445.20
30	UTS TAX EXEMPT SECS TR # 291M NATIONAL TR-MTHLY PMT		Please provide		590.43	17,712.90	Not available	5.65	1,000.80
50	UTS TAX EXEMPT SECS TR # 294M NATIONAL TR-MTHLY PMT		Please provide		492.48	24,624.00	Not available	6.432	1,584.00
25	UTS TAX EXEMPT SECS TR # 299 M NATIONAL TR-MTHLY PMT		Please provide		825.40	20,635.00	Not available	5.597	1,155.00
50	UTS TAX EXEMPT SECS TR #319M NATIONAL TR MTHLY PMT		Please provide		505.67	25,283.50	Not available	7.712	1,950.00
100	UTS TAX EXEMPT SECS TR # 326M NATIONAL TRUST-MTHLY PMT		Please provide		876.83	87,683.00	Not available	5.898	5,172.00
50	UTS TAX EXEMPT SECS TR # 328M NATIONAL TRUST-MTHLY PMT		Please provide		803.76	40,188.00	Not available	6.136	2,466.00
30	UTS TAX EXEMPT SECS TR # 185 SER 375 NATL TR 185 MONTHLY	04/01/04	4,849.70	184.30	155.53	4,665.90	(183.80)#LT i	5.555	259.20
15	UTS TAX EXEMPT SECS TR # 201 M NATL TR-MTHLY PMT		Please provide		225.85	3,387.75	Not available	5.525	187.20
33	UTS TAX EX SECS TR # 202M NATIONAL TR MTHLY PMT		Please provide		285.99	9,437.67	Not available	6.084	574.20
3	UTS TAX EXEMPT SECS TR # 203 M SER NATL TR-MTHLY PM		Please provide		125.64	376.92	Not available	6.112	23.04

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Unit investment trusts *continued* ✓

Number of units	Description	Date acquired	Cost/ Adjusted cost	Share cost	Current price	Current value	Unrealized gain/(loss)/ Adjusted Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
1	UTS TAX EXEMPT SECS TR # 204 M NATL TR-MTHLY PMT		Please provide		$ 189.69	$ 189.69	Not available	5.756%	$ 10.92
32	UTS TAX EXEMPT SECS TR # 205 M SER NATL TR-MTHLY PMT		Please provide		428.40	13,708.80	Not available	6.638	910.08
29	UTS TAX EXEMPT SECS TR #210 M MTHLY PMT		Please provide		70.43	2,042.47	Not available	5.111	104.40
20	UTS TAX EXEMPT SECS TR #208 M NATL TR-MTHLY PMT		Please provide		324.92	6,498.40	Not available	5.207	338.40
10	UTS TAX EXEMPT SECS TR # 213 M MTHLY PMT		Please provide		215.44	2,154.40	Not available	5.347	115.20
31	UTS TAX EXEMPT SECS TRUST#214M NATL TR-MTHLY PMT		Please provide		110.60	3,428.60	Not available	4.882	167.40
70	UTS TAX EXEMPT SECS TRUST#215M NATL TR-MTHLY PMT		Please provide		121.80	8,526.00	Not available	5.32	453.60
25	UTS TAX EXEMPT SECS TR # 216 M NATIONAL TR-MTHLY PMT		Please provide		226.14	5,653.50	Not available	5.20	294.00
120	UTS TAX EXEMPT SECS TR # 220 M NATL TR-MTHLY PMT		Please provide		173.87	20,864.40	Not available	5.314	1,108.80
9	UTS TAX EXEMPT SECS TRUST#221M NATL TR-MTHLY PMT		Please provide		184.89	1,664.01	Not available	4.218	70.20
Total unit investment trusts			$ 4,849.70			$ 369,393.61	$ 0.00** ST ($ 183.80)** LT	6.13	$ 22,667.64

Bonds

Unrealized gains & losses have been adjusted to account for the accretion of OID (original issue discount), the amortization of premium, and/or the accretion of market discount.

Call features shown indicate the next regularly scheduled call date and price. Your holdings may be subject to other redemption features including sinking funds or extraordinary calls.

The research rating for Moody's Investors Service and Standard & Poor's may be shown for certain fixed income securities. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting research ratings.

Corporate bonds

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
50,000	CATERPILLAR FINL SERVICES BOOK/ENTRY DTD 03/26/2009 INT: 04.850% MATY: 03/15/2011 Rating: A2/A	03/23/09 14912HNW6	$ 50,000.00 $ 50,000.00	$ 100.00 $ 100.00	100.71 $ 714.03	$ 50,355.00	$ 355.00 LT $ 355.00 LT	4.815 $ 2,425.00	$ 0.00 $ 355.00
75,000	HSBC FINANCE CORP MED TERM NTS BK/ENTRY DTD 08/20/2009 INT: 04.500% MATY: 08/15/2012 Rating: A3/A	08/17/09 40429XVX1	75,000.00 75,000.00	100.00 100.00	102.555 1,275.00	76,916.25	1,916.25 LT 1,916.25 LT	4.387 3,375.00	0.00 1,916.25
Total corporate bonds 125,000			$ 125,000.00 $ 125,000.00		$ 1,989.03	$ 127,271.25	$ 0.00 ST $ 2,271.25 LT	4.55 $ 5,800.00	$ 0.00 $ 2,271.25

Certificates of deposit

Certificates of deposit ("CDs") are insured by the FDIC up to $250,000 per account owner per depository institution (principal and accrued interest combined) when aggregated with other deposits held in the same insurable capacity at the same depository institution. The market value of any CD on this statement is estimated using a matrix based on interest rates. If a CD cannot be priced using this method, the statement will not reflect a market value for the CD. The estimated market value may not reflect the actual price you would receive if you were able to sell your CD prior to maturity. FDIC insurance is based on the outstanding principal amount of the CD, or the accreted value in the case of a zero coupon CD, not the estimated market value.

Issuer names followed by a "C" indicate that issuer is an affiliate of Citigroup Global Markets Inc.

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value/ Maturity value	Unrealized Gain/(loss) Original/Adjusted	Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
95,000	AMERICAN EXPRESS BANK, FSB DTD 03/25/09 INT : SEMI-ANN INT: 03.000% MATY: 03/26/2012	03/19/09 02580VJQ9	$ 95,000.00 $ 95,000.00	$ 100.00 $ 100.00	102.143 $ 765.21	$ 97,035.85 $ 95,000.00	$ 2,035.85 LT $ 2,035.85 LT	2.937 $ 2,850.00	$ 0.00 $ 2,035.85
95,000	AMERICAN EXPRESS CENTURION BK DTD 03/25/09 INT : SEMI-ANN INT: 03.000% MATY: 03/26/2012	03/19/09 02586TJN5	95,000.00 95,000.00	100.00 100.00	102.143 765.21	97,035.85 95,000.00	2,035.85 LT 2,035.85 LT	2.937 2,850.00	0.00 2,035.85

Certificates of deposit-*continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value/ Maturity value	Unrealized Gain/(loss) Original/Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
95,000	CAPMARK BANK - UT	03/19/09	$ 95,000.00	$ 100.00	102.143	**$ 97,035.85**	$ 2,035.85 LT	2.937	**$ 0.00**
	DTD 03/25/09 INT : SEMI-ANN	140653Q90	**$ 95,000.00**	$ 100.00	**$ 765.21**	$ 95,000.00	**$ 2,035.85** LT	**$ 2,850.00**	**$ 2,035.85**
	INT: 03.000% MATY: 03/26/2012								
Total certificates of deposit			$ 285,000.00		**$ 2,295.63**	**$ 291,107.55**	**$ 0.00 ST**	**2.93**	**$ 0.00**
285,000			**$ 285,000.00**				**$ 6,107.55 LT**	**$ 8,550.00**	**$ 6,107.55**
Total portfolio value			**$ 3,190,738.46**			**$ 3,583,859.68**	**$ 26,101.79** ST**	**3.92**	**$ 0.00**
							$ 2,291.72 LT**	**$ 140,498.99**	**$ 8,378.80**

**Based on information supplied by client or other financial institution, not verified by us.*

***Unrealized Gain/Loss is only calculated when an original cost basis is available.*

#Based on information supplied by your Financial Advisor.

/ This is a tax lot for an inherited position. For tax purposes, this tax lot is reported as "long-term."

TRANSACTION DETAILS
All transactions appearing are based on trade-date.

Investment activity

Date	Activity	Description	Quantity	Price	Amount
12/09/10	Sold	COCA-COLA CO	-1,000	$ 64.683	$ 63,843.36
12/09/10	Sold	CONNECTICUT WATER SERVICE INC CGMI AND/OR ITS AFFILIATES	-800	26.0004	20,407.08
12/09/10	Bought	ILLINOIS TOOL WORKS INC	200	50.527	-10,332.50
12/09/10	Bought	ISHARES TR RUSSELL MIDCAP INDEX FD	225	99.924	-22,899.99
12/09/10	Bought	ISHARES TR S&P SM CAP 600 INDX FUND	225	67.37	-15,456.72
12/09/10	Bought	3M COMPANY	400	84.71	-34,437.12
Total securities bought and other subtractions					**$ -83,126.33**
Total securities sold and other additions					**$ 84,250.44**

Checks written

Account number ******1147 - Citibank NA

Check no	Date written	Date cleared	Description	Tracking code	Amount
01389	12/16/10	12/29/10	MERCYHOME FOR BOYS & GIRL		$ 18,000.00
01390	12/16/10	12/27/10	EWTN		2,000.00
01393*	12/16/10	12/22/10	SMA FATHERS		10,000.00
01394	12/16/10	12/29/10	TRINITY MISSIONS		5,000.00
01396*	12/16/10	12/22/10	ST THOMAS THE APOSTLE CHU		2,500.00
01397	12/16/10	12/23/10	MT. CARMEL		10,000.00
01398	12/16/10	12/23/10	ST. PATRICK'S SCHOOL		11,000.00
01399	12/16/10	12/22/10	ST. MARY OF THE ASSUMPTIO		10,000.00
01400	12/16/10	12/27/10	RENEW INTERNATIONAL		20,000.00
01402*	12/16/10	12/22/10	ST. PAUL APOSTLE CHURCH A		1,000 00
01405*	12/16/10	12/23/10	CATHOLIC RELIEF SERVICES		17,000.00
01407*	12/16/10	12/21/10	THE CITY OF ST JUDE		1,000.00
01408	12/16/10	12/22/10	MARYDELL FAITH & LIFE CEN		1,000.00
01409	12/16/10	12/29/10	ST MARGARET PARISH		2,000.00
01410	12/16/10	12/22/10	PAULIST PRESS		3,000.00
01412*	12/16/10	12/27/10	OLM CHURCH		2,000.00
01413	12/16/10	12/23/10	CATHOLIC CHARITIES		11,000.00
01414	12/16/10	12/23/10	CHRISTIAN FOUNDATION FOR		1,000.00
01415	12/16/10	12/23/10	ST. JOSEPH HOME FOR THE E		4,500.00
01416	12/22/10	12/27/10	ST. THOMAS THE APOSTLE CH		4,000.00
Total checks written					**$ 136,000.00**

*Check missing in sequence

Money fund activity

Opening money fund balance **$ 201,819.55**

All transactions are traded at $1.00 per share.

Date	Activity	Description	Amount
12/01/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	150.00
12/02/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	1,795.55
12/07/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	505.00
12/08/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	702.66
12/13/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	1,952.00
12/14/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	87.50
12/15/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	2,737.11
12/16/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	32,417.71
12/20/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	571.20
12/21/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	457.50
12/21/10	Redemption	WESTERN ASSET MONEY MARKET FUND CLASS A	-1,000.00
12/22/10	Redemption	WESTERN ASSET MONEY MARKET FUND CLASS A	-27,500.00
12/23/10	Redemption	WESTERN ASSET MONEY MARKET FUND CLASS A	-54,500.00
12/27/10	Redemption	WESTERN ASSET MONEY MARKET FUND CLASS A	-27,990.00
12/29/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	496.88
12/29/10	Redemption	WESTERN ASSET MONEY MARKET FUND CLASS A	-24,577.36

Money fund activity *continued*

Date	Activity	Description	Amount
12/17/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	392.66
12/31/10	AutoInvest	WESTERN ASSET MONEY MARKET FUND CLASS A	469.01
		MONEY FUND EARNINGS REINVESTED (SEE DETAILS UNDER EARNINGS DETAILS)	9.48
		Closing balance	**$ 108,996.45**

EARNINGS DETAILS

*The tax status of earnings is reliable to the best of our knowledge. **Taxable** and **non-taxable** designations refer to the federal income tax status of your securities, not of your account.*

Interest credited

Date	Description	Comment	Taxable	Non-taxable	Amount
12/15/10	BB&T CAPITAL TRUST V 8.95%	REG INT ON 1200 BND	$ 671.25		$ 671.25
12/15/10	SUNTRUST CAPITAL IX 7.875% TRUST PFD	REG INT ON 1200 BND	590.63		590.63
12/15/10	UTS TAX EXEMPT SECS TR # 247M NATIONAL TR-MTHLY PMT	REG INT ON 100 UNITS		174.00	174.00
12/15/10	UTS TAX EXEMPT SECS TR #259 M NATIONAL SER MTHLY-PMT	REG INT ON 50 UNITS		182.50	182.50
12/15/10	UTS TAX EXEMPT SECS TR # 287 M NATL TR-MTHLY PMT	REG INT ON 10 UNITS		37.10	37.10
12/15/10	UTS TAX EXEMPT SECS TR # 291M NATIONAL TR-MTHLY PMT	REG INT ON 30 UNITS		83.40	83.40
12/15/10	UTS TAX EXEMPT SECS TR # 294M NATIONAL TR-MTHLY PMT	REG INT ON 50 UNITS		132.00	132.00
12/15/10	UTS TAX EXEMPT SECS TR # 299 M NATIONAL TR-MTHLY PMT	REG INT ON 25 UNITS		96.25	96.25
12/15/10	UTS TAX EXEMPT SECS TR #319M NATIONAL TR MTHLY PMT	REG INT ON 50 UNITS		162.50	162.50
12/15/10	UTS TAX EXEMPT SECS TR # 326M NATIONAL TRUST-MTHLY PMT	REG INT ON 100 UNITS		431.00	431.00
12/15/10	UTS TAX EXEMPT SECS TR # 328M NATIONAL TRUST-MTHLY PMT	REG INT ON 50 UNITS		205.50	205.50
12/15/10	UTS TAX EXEMPT SECS TR # 185 SER 375 NATL TR 185 MONTHLY	REG INT ON 30 UNITS		21.60	21.60
12/15/10	UTS TAX EXEMPT SECS TR # 201 M NATL TR-MTHLY PMT	REG INT ON 15 UNITS		15.60	15.60
12/15/10	UTS TAX EX SECS TR # 202M NATIONAL TR MTHLY PMT	REG INT ON 33 UNITS		47.85	47.85
12/15/10	UTS TAX EXEMPT SECS TR # 203 M SER NATL TR-MTHLY PM	REG INT ON 3 UNITS		1.92	1.92

Interest credited *continued*

Date	Description	Comment	Taxable	Non-taxable	Amount
12/15/10	UTS TAX EXEMPT SECS TR # 204 M NATL TR-MTHLY PMT	REG INT ON 1 UNITS		$ .91	$ .91
12/15/10	UTS TAX EXEMPT SECS TR # 205 M SER NATL TR-MTHLY PMT	REG INT ON 32 UNITS		75.84	75.84
12/15/10	UTS TAX EXEMPT SECS TR #210 M MTHLY PMT	REG INT ON 29 UNITS		8.70	8.70
12/15/10	UTS TAX EXEMPT SECS TR #208 M NATL TR-MTHLY PMT	REG INT ON 20 UNITS		28.20	28.20
12/15/10	UTS TAX EXEMPT SECS TR # 213 M MTHLY PMT	REG INT ON 10 UNITS		9.60	9.60
12/15/10	UTS TAX EXEMPT SECS TRUST#214M NATL TR-MTHLY PMT	REG INT ON 31 UNITS		13.95	13.95
12/15/10	UTS TAX EXEMPT SECS TRUST#215M NATL TR-MTHLY PMT	REG INT ON 70 UNITS		37.80	37.80
12/15/10	UTS TAX EXEMPT SECS TR # 216 M NATIONAL TR-MTHLY PMT	REG INT ON 25 UNITS		24.50	24.50
12/15/10	UTS TAX EXEMPT SECS TR # 220 M NATL TR-MTHLY PMT	REG INT ON 120 UNITS		92.40	92.40
12/15/10	UTS TAX EXEMPT SECS TRUST#221M NATL TR-MTHLY PMT	REG INT ON 9 UNITS		5.85	5.85
12/28/10	GENERAL ELEC CAP CORP 6.625% PINES	REG INT ON 1200 BND	496.88		496.88
12/31/10	CITIGROUP CAPITAL XVI 6.45%	REG INT ON 1000 BND	403.13		403.13
Total interest earned			**$ 2,161.89**	**$ 1,888.97**	**$ 4,050.86**

Return of principal

Date	Description	Comment	Amount
12/15/10	UTS TAX EXEMPT SECS TR # 247M NATIONAL TR-MTHLY PMT	PRINCIPAL ON 100 UNITS	$ 2,576.00
12/15/10	UTS TAX EXEMPT SECS TR #259 M NATIONAL SER MTHLY-PMT	PRINCIPAL ON 50 UNITS	8,413.00
12/15/10	UTS TAX EXEMPT SECS TR # 291M NATIONAL TR-MTHLY PMT	PRINCIPAL ON 30 UNITS	543.60
12/15/10	UTS TAX EXEMPT SECS TR #319M NATIONAL TR MTHLY PMT	PRINCIPAL ON 50 UNITS	8,359.50
12/15/10	UTS TAX EXEMPT SECS TR # 326M NATIONAL TRUST-MTHLY PMT	PRINCIPAL ON 100 UNITS	2,743.00

Return of principal *continued*

Date	Description	Comment	Amount
12/15/10	UTS TAX EXEMPT SECS TR # 328M NATIONAL TRUST-MTHLY PMT	PRINCIPAL ON 50 UNITS	$ 4,098.50
12/15/10	UTS TAX EXEMPT SECS TR # 205 M SER NATL TR-MTHLY PMT	PRINCIPAL ON 32 UNITS	173.76
Total earnings from return of principal			**$ 26,907.36**

Other dividends

Date	Description	Comment	Taxable	Non-taxable	Amount
12/01/10	ALLERGAN INC	CASH DIV ON 300.0000 SHS X/D 11/08/10	$ 15.00		$ 15.00
12/01/10	BEMIS CO INC	CASH DIV ON 500.0000 SHS X/D 11/12/10	115.00		115.00
12/01/10	CONAGRA FOODS INC	CASH DIV ON 1050.0000 SHS X/D 10/27/10	241.50		241.50
12/01/10	FIRSTENERGY CORP	CASH DIV ON 1000.0000 SHS X/D 11/03/10	550.00		550.00
12/01/10	INTEL CORP	CASH DIV ON 1000.0000 SHS X/D 11/03/10	157.50		157.50
12/01/10	MIDDLESEX WATER CO	CASH DIV ON 666.0000 SHS X/D 11/10/10	121.55		121.55
12/01/10	PFIZER INC	CASH DIV ON 2000.0000 SHS X/D 11/04/10	360.00		360.00
12/01/10	UNITED PARCEL SERVICE CL B	CASH DIV ON 500.0000 SHS X/D 11/10/10	235.00		235.00
12/06/10	AMERISOURCEBERGEN CORP	CASH DIV ON 500.0000 SHS X/D 11/18/10	50.00		50.00
12/06/10	SOUTHERN CO	CASH DIV ON 1000.0000 SHS X/D 10/28/10	455.00		455.00
12/07/10	TOTAL S.A SPONS ADR	FOREIGN TAX W/HELD $ 221.72 CASH DIV ON 575.0000 SHS TAX HELD BY FGN GOVTS 221.72 X/D 11/09/10	886.88		665.16
12/07/10	VISA INC COM CL A	CASH DIV ON 250.0000 SHS X/D 11/17/10	37.50		37.50
12/10/10	AMERICAN ELECTRIC POWER CO INC	CASH DIV ON 750.0000 SHS X/D 11/08/10	345.00		345.00
12/10/10	EXELON CORP	CASH DIV ON 500.0000 SHS X/D 11/10/10	262.50		262.50
12/10/10	EXXON MOBIL CORP	CASH DIV ON 1000.0000 SHS X/D 11/09/10	440.00		440.00
12/10/10	INTL BUSINESS MACHINES CORP	CASH DIV ON 250.0000 SHS X/D 11/08/10	162.50		162.50
12/10/10	ELI LILLY & CO	CASH DIV ON 1000.0000 SHS X/D 11/10/10	490.00		490.00

Financial Management Account
December 1 - December 31, 2010

THE JAMES & LORETTA COLOTTO **Account number 641-30648-14 092**

Other dividends *continued*

Date	Description	Comment	Taxable	Non-taxable	Amount
12/10/10	NORFOLK SOUTHERN CORP	CASH DIV ON 700.0000 SHS X/D 11/03/10	$ 252.00		$ 252.00
12/13/10	WALGREEN CO NEW	CASH DIV ON 500.0000 SHS X/D 11/10/10	87.50		87.50
12/14/10	E I DU PONT DE NEMOURS & CO	CASH DIV ON 1300.0000 SHS X/D 11/10/10	533.00		533.00
12/14/10	JOHNSON & JOHNSON	CASH DIV ON 2000.0000 SHS X/D 11/26/10	1,080.00		1,080.00
12/15/10	APPLIED MATERIALS INC DELAWARE	CASH DIV ON 1000.0000 SHS X/D 11/22/10	70.00		70.00
12/15/10	COCA-COLA CO	CASH DIV ON 1500.0000 SHS X/D 11/29/10	660.00		660.00
12/15/10	CONNECTICUT WATER SERVICE INC	CASH DIV ON 800.0000 SHS X/D 11/29/10	186.00		186.00
12/15/10	CONSOLIDATED EDISON INC	CASH DIV ON 1000.0000 SHS X/D 11/15/10	595.00		595.00
12/15/10	KELLOGG CO	CASH DIV ON 700.0000 SHS X/D 11/29/10	283.50		283.50
12/15/10	MCDONALDS CORP	CASH DIV ON 500.0000 SHS X/D 11/29/10	305.00		305.00
12/15/10	WEINGARTEN RLTY INVS SBI	CASH DIV ON 1000.0000 SHS X/D 12/06/10	260.00		260.00
12/16/10	DUKE ENERGY CORP (HOLDING COMPANY) NEW	CASH DIV ON 1000.0000 SHS X/D 11/09/10	245.00		245.00
12/16/10	HOME DEPOT INC	CASH DIV ON 625.0000 SHS X/D 11/30/10	147.66		147.66
12/17/10	ROYAL DUTCH SHELL PLC ADR CL A	FOREIGN TAX W/HELD $ 100.80 CASH DIV ON 800.0000 SHS TAX HELD BY FGN GOVTS 100.80 X/D 11/03/10	672.00		571.20
12/20/10	DOMINION RESOURCES INC VA NEW	CASH DIV ON 1000.0000 SHS X/D 11/24/10	457.50		457.50
12/27/10	BANK OF AMERICA CORP	CASH DIV ON 1000.0000 SHS X/D 12/01/10	10.00		10.00
12/29/10	ISHARES TR RUSSELL MIDCAP INDEX FD	CASH DIV ON 535.0000 SHS X/D 12/22/10	250.40		250.40
12/29/10	ISHARES DOW JONES U S TECH INDEX FD	CASH DIV ON 675.0000 SHS X/D 12/22/10	49.92		49.92
12/29/10	ISHARES DOW JONES U.S. PHARMACEUTICAL INDEX FUND	CASH DIV ON 475.0000 SHS X/D 12/22/10	122.32		122.32
12/30/10	ISHARES TR S&P SM CAP 600 INDX FUND	CASH DIV ON 370.0000 SHS X/D 12/23/10	122.31		122.31
12/30/10	ISHARES TR S&P GLOBAL UTIL INDEX FD	CASH DIV ON 500.0000 SHS X/D 12/20/10	346.70		346.70

Other dividends *continued*

Date	Description	Comment	Taxable	Non-taxable	Amount
12/31/10	PUBLIC SERVICE ENTERPRISE GRP	CASH DIV ON 750.0000 SHS X/D 12/06/10	$ 256.88		$ 256.88
12/31/10	TRAVELERS COMPANIES INC	CASH DIV ON 29.0000 SHS X/D 12/08/10	10.44		10.44
Total other dividends credited to account					**$ 11,605.54**
FRGN tax withheld					322.52
Total other dividends earned			**$ 11,928.06**	**$ 0.00**	**$ 11,928.06**

Money fund earnings

Date	Description	Comment	Taxable	Non-taxable	Amount
12/31/10	WESTERN ASSET MONEY MARKET FUND CLASS A	REINVESTED FOR PERIOD 12/01/10-01/02/11 33 DAYS AVERAGE YIELD .06 %.	$ 6.90		$ 6.90
12/31/10	WESTERN ASSET GOVERNMENT MONEY MARKET FUND CLASS A	REINVESTED FOR PERIOD 12/01/10-01/02/11 33 DAYS AVERAGE YIELD .04 %.	2.58		2.58
Total earnings from money fund			**$ 9.48**	**$ 0.00**	**$ 9.48**

GAIN/LOSS DETAILS

Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor. Absent specific instructions from you, trades are allocated using the FIFO (first-in/first-out) method. Day traders should therefore not rely on this section for day trading results. Your reinvestment activity has been summarized. Single lines have been designated to distinguish Short-term (ST) or Long-term (LT) information. Detailed information will be available at year-end in your 1099 Year-end summary.

Realized gain or loss

Description	Original Trade Date/ Closing Trade Date	Quantity	Cost basis/ Adjusted basis	Purchase price/ Adjusted price	Sale price/ Proceeds	Original Realized gain/(loss)		Adjusted Realized gain/(loss)		Capital gain/(loss)/ Ordinary income
COCA-COLA CO	05/20/05 12/09/10 Sold	1,000	**$ 45,378.91**	$ 44.96	64.683 **63,843.36**	$ 18,464.45	LT	$ 18,464.45	LT	$ 18,464.45 $ 0.00

Realized gain or loss *continued*

Description	Original Trade Date/ Closing Trade Date	Quantity	Cost basis/ Adjusted basis	Purchase price/ Adjusted price	Sale price/ Proceeds	Original Realized gain/(loss)	Adjusted Realized gain/(loss)	Capital gain/(loss)/ Ordinary income
CONNECTICUT WATER SERVICE INC	04/01/04	100	$ 2,823.81	$ 28.23	26.00	($ 272.92)# LT	($ 272.92)# LT	($ 272.92)
CGMI AND/OR ITS AFFILIATES	12/09/10 Sold				2,550.89	‹		$ 0.00
	09/15/06	700	16,690.37	23.43	26.00	1,165.82 LT	1,165.82 LT	1,165.82
	12/09/10 Sold				17,856.19			0.00
	Total	**800**	**$ 19,514.18**		**$ 20,407.08**	**$ 892.90**	**$ 892.90**	**$ 892.90**
								$ 0.00
Total Long Term this period						**$ 19,357.35**	**$ 19,357.35**	
Total realized gain or (loss) this period			**$ 64,893.09**		**$ 84,250.44**	**$ 19,357.35**	**$ 19,357.35**	
Total realized Capital gain or (loss) this period								**$ 19,357.35**
Total Long Term year-to-date						**$ 19,513.48**	**$ 19,513.48**	
Total Short Term year-to-date						**$ 13,123.30**	**$ 13,123.30**	
Total realized gain or (loss) year-to-date			**$ 734,916.37**		**$ 767,553.15**	**$ 32,636.78**	**$ 32,636.78**	
Total realized Capital gain or (loss) year-to-date								**$ 32,636.78**

#Based on information supplied by your Financial Advisor.

‹ This is a tax lot for an inherited position. For tax purposes, this tax lot is reported as "long-term."

Guide to Citi Investment Research & Analysis (CIRA) Investment Ratings

Stock Ratings

Investment ratings are based upon CIRA's expectation of total return (forecast price appreciation plus dividend yield within the next 12 months) and risk rating.

Developed Markets (US, UK, Europe, Japan, and Australia/New Zealand)

Code	Rating	Expected Total Return
1	Buy	10% or more for Low-Risk stocks, 15% or more for Medium-Risk stocks, 20% or more for High-Risk stocks, and 35% or more for Speculative stocks
2	Hold	0-10% for Low-Risk stocks, 0-15% for Medium-Risk stocks, 0-20% for High-Risk stocks, and 0-35% for Speculative stocks
3	Sell	Negative total return
--	–	The Expected Total Return is under review

Stock Risk

Takes into account price volatility and a select list of fundamental criteria.

Code	Rating	Definitions
L	Low	High predictability of financial results and low volatility
M	Medium	Moderate predictability of financial results and volatility
H	High	Low predictability of financial results and high volatility
S	Speculative	Exceptionally low financial predictability, highest risk and volatility
–		The Stock Risk is under review

Closed-End Fund Ratings

Investment ratings are a function of CIRA's expectation of the fund's total return relative to its peer group, and the ability to provide stable to rising dividends, where applicable.

Code	Rating	Expected Total Return
1	Outperform	Expected to outperform its peer group of closed-end funds, and/or the fund is expected to provide stable to rising dividends, where applicable
2	In-Line	Expected to perform in line with its peer group of closed-end funds, and/or the fund is expected to provide stable dividends, where applicable
3	Underperform	Expected to underperform its peer group of closed-end funds, and/or the fund is expected to provide a declining dividend, where applicable

Closed-End Fund Risk

Takes into account the quality and liquidity of the underlying securities, financial leverage and foreign currency exposure.

Code	Rating	Definitions
L	Low	The fund invests in high quality, liquid securities with little to no financial leverage or foreign currency exposure
M	Medium	Overall, the fund invests in moderate to high quality, liquid securities with reasonable financial leverage and provides primarily United States Dollar currency exposure
H	High	The fund may invest in low quality, less-liquid securities, have exposure to foreign currencies and above average degrees of financial leverage
S	Speculative	The fund invests in low grade, illiquid and/or highly volatile securities, have exposure to foreign currency and may also use high degrees of financial leverage

Morgan Stanley Stock Ratings

Morgan Stanley's ratings system differs from the CIRA rating system. Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks they cover. Their ratings, Overweight, Equal-weight, Not-Rated and Underweight, are not the equivalent of Buy, Hold, and Sell, but represent recommended relative weightings. To satisfy regulatory requirements, Morgan Stanley corresponds Overweight, their most positive stock rating, with a Buy (1) recommendation, they correspond Equal-weight and Not-Rated to Hold (2) and Underweight to Sell (3) recommendations, respectively. These corresponding ratings are displayed on account statements. Morgan Stanley's own proprietary ratings, shown below, are displayed on Morgan Stanley research reports:

Code	Rating	Definition
O	Overweight	The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
E	Equal-weight	The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
NR	Not-Rated	Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
U	Underweight	The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

*NAV, NA or ** appearing for Morgan Stanley Research indicates that the ratings for this company are not available because of a Morgan Stanley policy.*

Message: *In the wake of extreme volume and volatility impacting the various debt markets, please be aware that security valuations reflected under the "Current Value" heading of your client statement and/or the "Market Value" of your account position page online, may not necessarily be reflective of actual market prices at which debt securities may be purchased or sold.*

Statement valuations provided to us through our pricing sources may not necessarily be indicative of where you may ultimately be able to buy or sell a debt security due to various factors. These factors include, but are not limited to, liquidity of the specific security and overall market, trade size, general credit quality and independent credit ratings, security product attributes such as call provisions and other features disclosed in security prospectuses and debt covenants, supply/demand imbalances in the market, and general volatility attributable to the issuer or overall market in general.

Message: ***Important notice regarding Current Value for certain securities*** *With respect to certain instruments, including but not limited to mortgage, asset-backed, structured and high-yield securities, the "Current Value" information herein is an estimate of value and is provided solely for general information purposes. "Current Value" reflects estimated general value as of the statement date and the actual market price can be determined only if and when a trade is executed in the market. "Current Value" is subject to change at any time, without notice, based on a variety of factors, including but not limited to current increased market volatility and illiquidity. Our view of these factors as well as underlying assumptions may differ from that of other parties and, consequently, valuations provided by other parties may be significantly different. "Current Value" is based on information derived from sources believed to be reliable, though some of the information is available only periodically and, as a result, may not be timely. Moreover, we have not independently verified such information. Please call your Financial Advisor if you have any questions or wish any additional information concerning the above.*

Message: ***Discontinuation of FMA Servicing at Citibank Financial Centers***

Beginning January 27, 2011, FMA clients will no longer have access to the following services at Citibank locations: Deposit cash and checks into FMA at ATMs and tellers, Withdraw cash from FMA at tellers, Cash checks, Obtain cashier's checks, money orders, or traveler's checks, Redeem savings bonds, and Reset FMA Card PINs. ATM withdrawals are not impacted. ATM withdrawals will continue to be free at Citibank, MoneyPass, Publix and participating 7-Eleven ATMs.

Message: *If you owned shares and/or units in a mutual fund, regulated investment company (RIC), unit investment trust (UIT), real estate investment trust (REIT), or foreign security (other than common shares) during 2010, and you normally file your income taxes early, please be advised that your original Form 1099/Year End Summary may not be the final version, and a corrected copy may be forthcoming later in the tax filing season. A warning message, alerting you of this, will also appear on your original Form 1099/Year End Summary.*

Message: ***Important information if you are a margin customer***
If you have a margin account with us, as permitted by law we may use certain securities in your account for, among other things, settling short sales and lending the securities for short sales, and as a result may receive compensation in connection therewith.

Information regarding commissions and charges will be made available to you promptly upon request. Please advise Morgan Stanley Smith Barney of any material change in your financial objectives or financial situation. All checks written and deposited to your account must be made payable to Citigroup Global Markets Inc. A financial statement of Citigroup Global Markets Inc. is available for your personal inspection at its offices, or a copy of it will be mailed upon your written request. ***If you believe there are any inaccuracies or discrepancies in your account, you must promptly contact Citigroup Global Markets Inc. at 212-723-9903 and the Manager of the branch servicing your account (see page 1 of statement for address and phone number).*** *To protect your rights, including any rights you may have under the Securities Investor Protection Act (SIPA), you should reconfirm all oral communication in writing to Morgan Stanley Smith Barney, Attention: Early Dispute Resolution Group, 485 Lexington Avenue, 14th Floor, New York, NY 10017.*

Copies of this statement have also been sent to:
EUGENE H. GILMARTIN, ESQ.

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