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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ **Do not enter social security numbers on this form as it may be made public.**
▶ **Information about Form 990-PF and its instructions is at *www.irs.gov/form990pf*.**

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning 10-01-2014 , and ending 09-30-2015

Name of foundation
MOODY GARDENS INC

% JOHN PETERSON

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

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
GALVESTON, TX 77554

A Employer identification number
76-0288131

B Telephone number (see instructions)
(409) 744-4673

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 ▶ ☐

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 69,814,399

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 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)	0			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	59,925	59,925	59,925	
	4	Dividends and interest from securities	37,942	37,942	37,942	
	5a	Gross rents				
	b	Net rental income or (loss) ______				
	6a	Net gain or (loss) from sale of assets not on line 10	43,543			
	b	Gross sales price for all assets on line 6a 551,447				
	7	Capital gain net income (from Part IV, line 2)		43,543		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances 59,048,696				
	b	Less Cost of goods sold 5,129,671				
	c	Gross profit or (loss) (attach schedule)	53,919,025			
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	54,060,435	141,410	97,867	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	314,812		314,812	
	14	Other employee salaries and wages	10,147,121		10,147,121	
	15	Pension plans, employee benefits	255,952		255,952	
	16a	Legal fees (attach schedule)	65,723	0	65,723	0
	b	Accounting fees (attach schedule)	90,446	0	90,446	0
	c	Other professional fees (attach schedule)	15,059	11,746	3,313	
	17	Interest	151,199		151,199	
	18	Taxes (attach schedule) (see instructions)	1,394,540		1,394,540	
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	37,615,369		37,615,369	
	24	**Total operating and administrative expenses.** Add lines 13 through 23	50,050,221	11,746	50,038,475	0
	25	Contributions, gifts, grants paid	16,528,152			16,528,152
	26	**Total expenses and disbursements.** Add lines 24 and 25	66,578,373	11,746	50,038,475	16,528,152
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-12,517,938			
	b	**Net investment income** (if negative, enter -0-)		129,664		
	c	**Adjusted net income** (if negative, enter -0-)				

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	128,240	128,250	128,250
	2	Savings and temporary cash investments	23,663,948	26,753,727	26,753,727
	3	Accounts receivable ▶ 530,241			
		Less allowance for doubtful accounts ▶	753,677	530,241	530,241
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable	47,773,307	33,352,182	33,352,182
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	2,872,407	2,994,103	2,994,103
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	1,529,890	1,493,595	1,493,595
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)	3,323,263	4,562,301	4,562,301
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	80,044,732	69,814,399	69,814,399
Liabilities	17	Accounts payable and accrued expenses	3,757,824	6,080,137	
	18	Grants payable			
	19	Deferred revenue	3,092,309	3,156,843	
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)	12,095,918	12,095,918	
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	18,946,051	21,332,898	
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	8,460,222	11,686,762	
	25	Temporarily restricted	51,712,688	35,868,968	
	26	Permanently restricted	925,771	925,771	
		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 instructions)	61,098,681	48,481,501	
	31	**Total liabilities and net assets/fund balances** (see instructions)	80,044,732	69,814,399	

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	61,098,681
2	Enter amount from Part I, line 27a	2	-12,517,938
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	48,580,743
5	Decreases not included in line 2 (itemize) ▶	5	99,242
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	48,481,501

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)
1 a	JANET JORDAN FUND-SEE ATTACHMENT 20			
b	RESERVE FUND-SEE ATTACHMENT 20			
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	215,717		217,773	-2,056
b	335,730		290,131	45,599
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				-2,056
b				45,599
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**	43,543
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	**3**	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	**(b)** Adjusted qualifying distributions	**(c)** Net value of noncharitable-use assets	**(d)** Distribution ratio (col (b) divided by col (c))
2013	16,099,165	27,991,988	0 575135
2012	9,162,727	23,221,498	0 394579
2011	4,554,348	19,818,367	0 229804
2010	27,006,905	16,401,884	1 646573
2009	19,869,173	13,594,272	1 461584

2	**Total** of line 1, column (d).	**2**	4 307675
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	**3**	0 861535
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5.	**4**	33,218,990
5	Multiply line 4 by line 3.	**5**	28,619,323
6	Enter 1% of net investment income (1% of Part I, line 27b).	**6**	1,297
7	Add lines 5 and 6.	**7**	28,620,620
8	Enter qualifying distributions from Part XII, line 4.	**8**	16,528,152

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

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see 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	2,593
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	2,593
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	2,593
6	Credits/Payments				
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	2,203		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	3,000		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	5,203
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	2,610
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 2,610 **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 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		
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 instructions) ▶TX			
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 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9	Yes	
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)*

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶WWW MOODYGARDENS COM

14 The books are in care of ▶JOHN PETERSON Telephone no ▶(409) 744-4673

Located at ▶ONE HOPE BLVD Galveston TX ZIP+4 ▶77554

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 2014, 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 instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶			

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ **Yes** ☑ **No**			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ **Yes** ☑ **No**			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ **Yes** ☑ **No**			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☑ **Yes** ☐ **No**			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ **Yes** ☑ **No**			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ **Yes** ☑ **No**			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		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 2014?	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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ **Yes** ☑ **No**			
	If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____ , 20____ , 20____ , 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ **Yes** ☑ **No**			
b	If "Yes," did it have excess business holdings in 2014 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 2014.)*.	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc, organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		
	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**		

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

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

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

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

(a) Name and address of each employee paid more than $50,000	**(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
JOHN ZENDT ONE HOPE BOULEVARD GALVESTON,TX 77544	PRESIDENT/DIRECTOR 40 0	186,232	12,294	0
GARVIN O'NEIL ONE HOPE BOULEVARD GALVESTON,TX 77554	HOTEL GEN MANAGER 40 0	156,742	11,324	0
JAMIE WEIR ONE HOPE BOULEVARD GALVESTON,TX 77554	DIRECTOR OF SALES 40 0	154,522	11,100	0
ROBIN MURPHY ONE HOPE BOULEVARD GALVESTON,TX 77554	HOTEL CHEF 40 0	147,696	4,213	0
JOHN PETERSON ONE HOPE BOULEVARD GALVESTON,TX 77554	TREASURER/CONTROLLER 40 0	109,530	9,436	0
Total number of other employees paid over $50,000 ▶				32

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

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

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
1859 HISTORIC HOTELS LTD 2302 POST OFFICE STREET SUITE 500 GALVESTON,TX 77550	PAYROLL PROCESSING	83,777
PANNELL KERR FORSTER OF TEXAS PC 5847 SAN FELIPE SUITE 2600 HOUSTON,TX 77057	AUDITING & TAXATION	90,446
SIMEX INC 27509 AVE HOPKINS SANTA CLARA,CA 91355	Design/Devel/Theater	1,914,079
WORK TM 1973 W GRAY SUITE 22 HOUSTON,TX 77019	CONSULTANTS/DESIGN	3,761,352
SUPER 78 INC 2894 ROWENA AVE LOS ANGELES,CA 90039	Art Theater	1,428,170
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 CONSTRUCTION/MAINTENANCE/RENOVATION OF FACILITIES AT MOODY GARDENS FOR THE PARK BOARD OF TRUSTEES, WHICH INCLUDE A MUSEUM, AQUARIUM, AND HOTEL	16,372,776
2 OPERATION OF PUBLIC FACILITIES AT MOODY GARDEN HOTEL CONFERENCE CENTER, AQUARIUM, THEATER PRODUCTIONS, RAINFOREST AND OTHER FACILITIES FOR THE PARK BOARD OF TRUSTEES	50,038,475
3 RENOVATION, MANAGEMENT, OPERATION AND MAINTENANCE OF THE GOLF COURSE FOR THE CITY OF GALVESTON	155,376
4	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See instructions **3**	
Total. Add lines 1 through 3 . . . . ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	1,511,743
b	Average of monthly cash balances	1b	25,337,083
c	Fair market value of all other assets (see instructions)	1c	6,876,037
d	**Total** (add lines 1a, b, and c)	1d	33,724,863
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	33,724,863
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	505,873
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	33,218,990
6	**Minimum investment return.** Enter 5% of line 5	6	1,660,950

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☑ and do not complete this part.)

1	Minimum investment return from Part X, line 6			1	
2a	Tax on investment income for 2014 from Part VI, line 5	2a			
b	Income tax for 2014 (This does not include the tax from Part VI)	2b	0		
c	Add lines 2a and 2b			2c	0
3	Distributable amount before adjustments Subtract line 2c from line 1			3	0
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	0
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	0

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	16,528,152
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	16,528,152
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	16,528,152

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				0
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only.			0	
b Total for prior years 2012 , 2011 , 2010		0		
3 Excess distributions carryover, if any, to 2014				
a From 2009.				
b From 2010. 0				
c From 2011. 0				
d From 2012. 0				
e From 2013. 0				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ $ 16,528,152				
a Applied to 2013, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).				
d Applied to 2014 distributable amount.				
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2014 *(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	0			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount —see instructions		0		
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions) . . .				
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2010. . . .				
b Excess from 2011. . . . 0				
c Excess from 2012. . . . 0				
d Excess from 2013. . . . 0				
e Excess from 2014. . . . 0				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, 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			(e) Total
	(a) 2014	**(b)** 2013	**(c)** 2012	**(d)** 2011	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	0	0	0	0	0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed	16,528,152	16,099,165	9,162,727	4,554,348	46,344,392
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	16,528,152	16,099,165	9,162,727	4,554,348	46,344,392
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)					0
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	1,107,300	933,066	774,050	660,612	3,475,028
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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

1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
CITY OF GALVESTON 823 ROSENBURG GALVESTON,TX 77550	N/A	N/A	RENOVATION/MANAGEMENT/OPERATION/MAINTENANCE OF THE GOLF COURSE AT MOODY GARDENS	155,376
PARK BOARD OF TRUSTEES OF THE CITY OF GALVESTON 2504 CHURCH STREET GALVESTON,TX 77550	N/A	N/A	CONSTRUCTION/MAINTENANCE/RENOVATION OF FACILITIES AT MOODY GARDENS	16,372,776
Total . . . . ▶ **3a**				16,528,152
b *Approved for future payment*				
PARK BOARD OF TRUSTEES OF THE CITY OF GALVESTON 2504 CHURCH STREET GALVESTON,TX 77550	N/A	N/A	CONSTRUCTION/MAINTENANCE/RENOVATION OF FACILITIES AT MOODY GARDENS	0
CITY OF GALVESTON 823 ROSENBERG GALVESTON,TX 77550	N/A	N/A	RENOVATION/MANAGEMENT/OPERATION/MAINTENANCE OF THE GOLF COURSE AT MOODY GARDENS	80,000
ISLAND STAR PERFORMANCES ONE HOPE BOULEVARD GALVESTON,TX 77550	N/A	N/A	MANAGEMENT AND BOOKKEEPING SERVICES ASSOCIATED WITH THE PROMOTION AND PRODUCTION OF LIVE MUSICAL/THEATRICAL PERFORMANCES AT MOODY GARDENS	0
Total . . . . ▶ **3b**				80,000

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
1 Program service revenue					
a See Additional Data Table					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	59,925	
4 Dividends and interest from securities. . . .			14	37,942	
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			18	43,542	
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). .				141,409	53,919,026

13 **Total.** Add line 12, columns (b), (d), and (e). 13 54,060,435

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
1A	REVENUES RECEIVED FROM THE OPERATION OF A HOTEL, PUBLIC BEACH, CONVENTION CENTER, ANIMAL HABITAT, BOTANICAL GARDENS, THERAPEUTIC PROGRAMS FOR THE HANDICAPPED, THEATER PRODUCTIONS, MUSEUM, AND EDUCATIONAL PROGRAMS FOR THE PARK BOARD OF THE CITY OF GALVESTON REVENUES ARE DERIVED FROM ADMISSIONS, RENTALS, CONCESSIONS, AND FOOD AND BEVERAGE SALES RELATED TO OPERATIONS CONSISTENT WITH ITS CHARITABLE STATUS
1B	REVENUES RECEIVED FROM THE OPERATION OF THE MUNICIPAL GOLF COURSE FOR THE CITY OF GALVESTON REVENUES ARE DERIVED FROM GREENS FEES, RENTALS, CONCESSIONS, MERCHANDISE AND FOOD AND BEVERAGE SALES RELATED TO OPERATIONS CONSISTENT WITH ITS CHARITABLE STATUS

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

******	2016-01-12	******	May the IRS discuss this return with the preparer shown below (see instr)? ☑ Yes ☐ No
Signature of officer or trustee	Date	Title	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed	PTIN
J DEL WALKER		2016-05-10	☐	P00568723

Firm's name ▶ Pannell Kerr Forster of Texas PC	Firm's EIN ▶
Firm's address ▶ 5847 SAN FELIPE SUITE 2600 Houston, TX 770573092	Phone no (713) 860-1400

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

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
E DOUGLAS MCLEOD 53 CEDAR LAWN CIRCLE GALVESTON,TX 77551	CHAIRMAN/DIRECTOR 1 0	4,500	0	0
LUIS R HERNANDEZ 1175 FM 802 BROWNSVILLE,TX 78521	V-P/DIRECTOR/AUDIT COMM CHAIR 1 0	4,350	0	2,783
JOHN IPPOLITO 3267 BEE CAVE RD STE 107-88 AUSTIN,TX 78746	DIRECTOR, SECRETARY 1 0	5,250	0	2,822
JOHN ZENDT ONE HOPE BOULEVARD GALVESTON,TX 77554	PRESIDENT/DIRECTOR 40 0	186,232	12,294	0
JOHN PETERSON ONE HOPE BOULEVARD GALVESTON,TX 77554	TREASURER/CONTROLLER 40 0	109,530	9,436	0
ALLAN MATTHEWS 7114 YOUPON DRIVE GALVESTON,TX 77551	DIRECTOR 1 0	4,950	0	0
MELVIN WILLIAMS 15 CARDENAS DRIVE GALVESTON,TX 77554	EX-OFFICIO DIRECTOR 10/14-7/15 1 0	0	0	0
MIGUEL ALEMAN 2930 HERON DRIVE GALVESTON,TX 77550	EX-OFFICIO DIRECTOR 08/15-PRES 1 0	0	0	0

Form 990PF Part XVI-A Line 1 - Program service revenue:

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See the instructions)
1 Program service revenue	**(a)** Business code	**(b)** Amount	**(c)** Exclusion code	**(d)** Amount	
a HOTEL REVENUES					21,689,960
b AQUARIUM					6,062,199
c GIFT SHOPS					1,500,128
d RAINFOREST					10,979,265
e EDUCATION					468,089
f PALM BEACH					3,220,183
THEATER PRODUCTIONS					4,820,356
DISCOVERY MUSEUM					1,942,246
CONVENTION CENTER					694,671
GOLF COURSE					1,610,520
ROPES COURSE					498,638
MISCELLANEOUS					432,771

TY 2014 Accounting Fees Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PANNELL KERR FORSTER OF TEXAS	90,446		90,446	

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2014 Depreciation Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

TY 2014 Investments - Other Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
JANET JORDAN ENDOWMENT FUND		1,206,866	1,206,866
HOPE THERAPY RESERVE FUND		286,729	286,729

TY 2014 Legal Fees Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
GREER, HERZ & ADAMS, LLP	50,796		50,796	
MUSKAT, MARTINEZ, & MAHONY LLP	10,219		10,219	
JOHN M WYLIE	4,708		4,708	

TY 2014 Other Assets Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
DEPOSITS	10,282	10,282	10,282
INVENTORIES	775,625	979,091	979,091
AQUARIUM ANIMALS	18,447	0	0
DEFERRED ICE EXHIBIT COSTS	669,970	591,848	591,848
FILM PRODUCTION COSTS	1,848,939	2,981,080	2,981,080

TY 2014 Other Decreases Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Description	Amount
UNREALIZED DEPRECIATION MKT SECURITY	99,242

TY 2014 Other Expenses Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MARKETING	1,439,018		1,439,018	
ANIMAL AQUISITIONS	25,927		25,927	
SERVICES	57,178		57,178	
OTHER EXHIBITS	1,129,146		1,129,146	
FILM LICENSE	961,339		961,339	
REPAIRS & MAINTENANCE	3,401,796		3,401,796	
FREIGHT	53,911		53,911	
SUPPLIES	1,012,467		1,012,467	
CREDIT CARD PROCESSING	816,411		816,411	
SPECIAL PROGRAMMING	3,169,931		3,169,931	
SPECIAL EVENTS	108,350		108,350	
LINEN RENTAL	264,009		264,009	
GOLF COURSE	451,601		451,601	
LANDSCAPING	1,000		1,000	
CLUBHOUSE	39,843		39,843	
AMORTIZATION	18,447		18,447	
OTHER	560,061		560,061	
ADMINISTRATION	10,425,166		10,425,166	
GARDENS	1,177,433		1,177,433	
CENTRAL PLANT	4,238,457		4,238,457	
HUMAN RESOURCES	1,380,231		1,380,231	
SALES & MARKETING	1,801,415		1,801,415	
OPERATIONS	468,021		468,021	
CENTRAL PURCHASING	268,779		268,779	
SECURITY	231,783		231,783	
TICKETING	830,588		830,588	
TRANSPORTATION	24,233		24,233	
VISITOR AND VOLUNTEER SERVICES	76,166		76,166	
CONTRACT LABOR	1,866,590		1,866,590	
COMMISSIONS	460,642		460,642	
PACKAGE PLAN	358,306		358,306	
BODIES EXHIBIT	20,301		20,301	
EQUIPMENT RENTAL	476,823		476,823	

TY 2014 Other Income Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
OTHER INCOME/(LOSS)			

TY 2014 Other Liabilities Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Description	Beginning of Year - Book Value	End of Year - Book Value
DEFERRED COMPENSATION PAYABLE		

TY 2014 Other Professional Fees Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MOODY NATL BANK-JANET JORDAN	12,127	9,459	2,668	
MOODY NATL BANK-HOPE RESERVE	2,932	2,287	645	

TY 2014 Sales Of Inventory Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Category	Gross Sales	Cost of Goods Sold	Net (Gross Sales Minus Cost of Goods Sold)
HOTEL	26,819,630		26,819,630
AQUARIUM	6,062,199		6,062,199
GIFT SHOPS	1,500,128		1,500,128
RAINFOREST	10,979,265		10,979,265
EDUCATION	468,089		468,089
PALM BEACH	3,220,183		3,220,183
THEATER PRODUCTIONS	4,820,356		4,820,356
DISCOVERY MUSEUM	1,942,246		1,942,246
CONVENTION CENTER	694,671		694,671
GOLF COURSE	1,610,520		1,610,520
ROPES COURSE	498,638		498,638
MISCELLANEOUS	432,771		432,771

TY 2014 Taxes Schedule

Name: MOODY GARDENS INC

EIN: 76-0288131

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PAYROLL TAXES-FEDERAL	1,280,695		1,280,695	
PAYROLL TAXES-STATE	113,845		113,845	