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Return of Private Foundation

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

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OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning

, and ending

Name of foundation

George G. & Alva Hudson Smith Foundation

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

P. O. Box 1245

Room/suite

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

Hillsboro, TX 76645-1245

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)

J Accounting method: Cash Accrual

► \$ 2,182,789. (Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received			N/A	
2	Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	44,699.	44,699.		Statement 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	106,083.			
b	Gross sales price for all assets on line 6a	935,764.			
7	Capital gain net income (from Part IV, line 2)		106,083.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total Add lines 1 through 11	150,782.	150,782.		
13	Compensation of officers, directors, trustees, etc	0.	0.	0.	
14	Other employee salaries and wages	3,750.	0.		1,875.
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees Stmt 2	2,250.	2,250.	0.	
c	Other professional fees Stmt 3	24,320.	24,320.	0.	
17	Interest Stmt 4	6.	6.	0.	
18	Taxes Stmt 4	2,315.	1,012.	0.	
19	Depreciation and depletion	57.	0.		
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses Stmt 5	1,454.	1,443.	0.	
24	Total operating and administrative expenses. Add lines 13 through 23	34,152.	29,031.		1,875.
25	Contributions, gifts, grants paid	125,752.			125,752.
26	Total expenses and disbursements. Add lines 24 and 25	159,904.	29,031.		127,627.
27	Subtract line 26 from line 12:	-9,122.			
a	Excess of revenue over expenses and disbursements				
b	Net investment income (if negative, enter -0-)		121,751.		
c	Adjusted net income (if negative, enter -0-)			N/A	

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Assets	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
1	Cash - non-interest-bearing		16,730.	21,197.	21,197.
2	Savings and temporary cash investments		197,829.	220,569.	220,569.
3	Accounts receivable ►				
	Less, allowance for doubtful accounts ►				
4	Pledges receivable ►				
	Less: allowance for doubtful accounts ►				
5	Grants receivable				
6	Receivables due from officers, directors, trustees, and other disqualified persons				
7	Other notes and loans receivable ►				
	Less: allowance for doubtful accounts ►				
8	Inventories for sale or use				
9	Prepaid expenses and deferred charges			942.	942.
10a	Investments - U.S. and state government obligations Stmt 6		514,976.	393,911.	434,292.
b	Investments - corporate stock Stmt 7		1,087,089.	1,170,162.	1,500,752.
c	Investments - corporate bonds				
11	Investments - land, buildings and equipment basis ►				
	Less accumulated depreciation ►				
12	Investments - mortgage loans				
13	Investments - other Stmt 8		5,906.	4,893.	4,893.
14	Land, buildings, and equipment basis ► 2,873.				
	Less accumulated depreciation Stmt 9 ► 2,729.		201.	144.	144.
15	Other assets (describe ►)				
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item l)		1,822,731.	1,811,818.	2,182,789.
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			
Net Assets or Fund Balances	22	Other liabilities (describe ► Statement 10)	2,088.	297.	
	23	Total liabilities (add lines 17 through 22)	2,088.	297.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds	0.	0.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	1,820,643.	1,811,521.	
	30	Total net assets or fund balances	1,820,643.	1,811,521.	
	31	Total liabilities and net assets/fund balances	1,822,731.	1,811,818.	

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	1,820,643.
2	Enter amount from Part I, line 27a	2	-9,122.
3	Other increases not included in line 2 (itemize) ►	3	0.
4	Add lines 1, 2, and 3	4	1,811,521.
5	Decreases not included in line 2 (itemize) ►	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,811,521.

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				
b	See Attached Statements			
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e	935,764.	829,681.	106,083.	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h)) gain minus col. (k), but not less than -0- or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e				106,083.
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	106,083.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8	{ }		3	N/A

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

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

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

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

 Yes No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2014	35,875.	2,326,238.	.015422
2013	133,145.	2,229,060.	.059731
2012	103,105.	2,147,714.	.048007
2011	96,274.	2,113,528.	.045551
2010	89,226.	1,980,150.	.045060

2 Total of line 1, column (d)

2 .213771

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 .042754

4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5

4 2,246,499.

5 Multiply line 4 by line 3

5 96,047.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 1,218.

7 Add lines 5 and 6

7 97,265.

8 Enter qualifying distributions from Part XII, line 4

8 127,627.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1	Date of ruling or determination letter. _____ (attach copy of letter if necessary-see instructions)	1	1,218.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
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-)			
3	Add lines 1 and 2	2	0.	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	3	1,218.	
5	Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-	4	0.	
6	Credits/Payments:	5	1,218.	
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	2,160.	
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	2,160.	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	942.	
11	Enter the amount of line 10 to be Credited to 2016 estimated tax	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>TX</u>	
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 <i>General Instruction G</i> ? If "No," attach explanation	
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 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? If "Yes," complete Part XIV	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	

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)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
11		<input checked="" type="checkbox"/> X	
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
12		<input checked="" type="checkbox"/> X	
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>smithfoundationhillcounty.org</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
13		<input checked="" type="checkbox"/> X	
14	The books are in care of ► <u>ANDREW L. SMITH</u> Located at ► <u>P. O. BOX 1245, HILLSBORO, TX</u>	Telephone no. ► <u>254-582-2531</u> ZIP+4 ► <u>76645-1245</u>	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	► <u>15</u>	<input type="checkbox"/> N/A
16	At any time during calendar year 2015, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
16		<input checked="" type="checkbox"/> X	

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1a	During the year did the foundation (either directly or indirectly):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	► <u>N/A</u>	<u>1b</u>	
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 2015?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
a	At the end of tax year 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	If "Yes," list the years ► _____, _____, _____, _____, _____		
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.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	► <u>N/A</u>	<u>2b</u>	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.		
	► _____, _____, _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	► <u>Yes</u>	<u>Yes</u>	<input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2015 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 2015)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	► <u>N/A</u>	<u>3b</u>	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 2015?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	► <u>Yes</u>	<u>4a</u>	<input checked="" type="checkbox"/> X
		<u>4b</u>	<input checked="" type="checkbox"/> X

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)?

Organizations relying on a current notice regarding disaster assistance check here

N/A



5b

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

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?

If "Yes" to 6b, file Form 8870

Yes No

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

X

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.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 11		0.	0.	0.

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

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

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



0

Part VIII**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)**3 Five highest-paid independent contractors for professional services. If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ► 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

1	N/A	Expenses
2		
3		
4		

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

1	N/A	Amount
2		
3		
Total. Add lines 1 through 3	►	0.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:

a Average monthly fair market value of securities

b Average of monthly cash balances

c Fair market value of all other assets

d Total (add lines 1a, b, and c)

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

3 Subtract line 2 from line 1d

4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)

5 Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4

6 Minimum investment return. Enter 5% of line 5

1a	2,037,542.
1b	243,168.
1c	
1d	2,280,710.
2	0.
3	2,280,710.
4	34,211.
5	2,246,499.
6	112,325.

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

2a Tax on investment income for 2015 from Part VI, line 5

1	112,325.
2a	1,218.
2b	
2c	1,218.
3	111,107.
4	0.
5	111,107.
6	0.
7	111,107.

b Income tax for 2015. (This does not include the tax from Part VI.)

c Add lines 2a and 2b

3 Distributable amount before adjustments. Subtract line 2c from line 1

4 Recoveries of amounts treated as qualifying distributions

5 Add lines 3 and 4

6 Deduction from distributable amount (see instructions)

7 Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1

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

b Program-related investments - total from Part IX-B

2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes

3 Amounts set aside for specific charitable projects that satisfy the.

a Suitability test (prior IRS approval required)

b Cash distribution test (attach the required schedule)

4 Qualifying distributions Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4

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

6 Adjusted qualifying distributions Subtract line 5 from line 4

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.

1a	127,627.
1b	0.
2	
3a	
3b	
4	127,627.
5	1,218.
6	126,409.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				111,107.
2 Undistributed income, if any, as of the end of 2015			1,893.	
a Enter amount for 2014 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e		0.		
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 127,627.			1,893.	
a Applied to 2014, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)		0.		
d Applied to 2015 distributable amount				111,107.
e Remaining amount distributed out of corpus		14,627.		0.
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a))		0.		
6 Enter the net total of each column as indicated below.		14,627.		
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			0.	
d Subtract line 6c from line 6b. Taxable amount - see instructions			0.	
e Undistributed income for 2014. Subtract line 4a from line 2a. Taxable amount - see instr			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)		0.		
8 Excess distributions carryover from 2010 not applied on line 5 or line 7		0.		
9 Excess distributions carryover to 2016 Subtract lines 7 and 8 from line 6a		14,627.		
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015		14,627.		

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or

4942(j)(5)

Part XV **Supplementary Information** (Complete this part only if the foundation 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 e-mail address of the person to whom applications should be addressed:

See Statement 12

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

c. Any submission deadlines:

4. 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	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
Name and address (home or business)				
a Paid during the year				
CITY OF HILLSBORO, DEPT OF PUBLIC SAFETY(FIRE/RESCUE) 110 W. FRANKLIN ST HILLSBORO, TX 76645	NONE	N/A	VOIDED-TO COMPLETE RESTORATION FOR THE HILLSBORO 1929 SEAGRAVES FIRE ENGINE.	-30,000.
AQUILLA ISD 404 NORTH RICHARDS AQUILLA, TX 76622	NONE	N/A	TO MOVE AN ELECTRIC TRANSFORMER TO INCREASE SIZE OF OUTDOOR PLAYGROUND & ADD A "BUDDY BENCH"	8,696.
BYNUM ISD 704 TOLIVER BYNUM, TX 76631	NONE	N/A	TO INSTALL INTERACTIVE WHITE BOARDS IN GRADE 1-8 CLASSROOMS	12,792.
CASA OF MCLENNAN & HILL COUNTIES 1501 WEST ANDERSON LANE AUSTIN, TX 78757	NONE	N/A	TO PROVIDE FINANCIAL RESOURCES FOR VOLUNTEER RECRUITMENT IN HILL COUNTY	15,000.
CITY OF BYNUM P O BOX 8 BYNUM, TX 76631	NONE	N/A	TO RENOVATE THE CITY HALL	5,000.
Total	See continuation sheet(s)			► 3a 125,752.
b Approved for future payment				
None				
Total				► 3b 0.

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
	(a) Business code	(b) Amount	(c) Exclu- sion 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	44,699.
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	106,083.
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)		0.		150,782.	0.
13 Total Add line 12, columns (b), (d), and (e)				13	150,782.
(See worksheet in line 13 instructions to verify calculations.)					

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

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a	300 DEERE & CO	P	01/01/12	12/01/15
b	78 NOW INC	P	01/01/12	12/21/15
c	US TREASURY 06/25/15	P	01/01/12	12/24/15
d	1890 INTL GAME TECHNOLOGY	P	01/01/12	01/07/15
e	1316 APOLLO ED GROUP	P	01/01/12	01/12/15
f	2150 TESCO PLC	P	01/01/12	01/16/15
g	180 LEGG MASON	P	01/01/12	01/16/15
h	650 BP PLC SPONSORED ADR	P	01/01/12	01/22/15
i	GOOGLE FR SHARE	P	01/01/12	05/08/15
j	632 MEDTRONIC	P	01/01/12	06/05/15
k	773 LEGG MASON	P	01/01/12	06/19/15
l	2053 TESCO PLC SPONSORED	P	01/01/12	06/22/15
m	US TREASURY 6/26/14	P	01/01/12	06/25/15
n	3472 TESCO	P	01/01/12	07/15/15
o	632 MEDTRONIC	P	01/01/12	07/16/15

(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 23,990.		23,879.	111.
b 1,261.		2,099.	-838.
c 79,970.		79,971.	-1.
d 32,476.		24,115.	8,361.
e 41,956.		30,201.	11,755.
f 20,685.		29,982.	-9,297.
g 9,773.		4,257.	5,516.
h 24,444.		27,396.	-2,952.
i 108.		54.	54.
j 48,632.		20,291.	28,341.
k 40,721.		18,040.	22,681.
l 20,048.		23,708.	-3,660.
m 49,982.		49,982.	0.
n 33,275.		33,111.	164.
o 47,452.		48,632.	-1,180.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			111.
b			-838.
c			-1.
d			8,361.
e			11,755.
f			-9,297.
g			5,516.
h			-2,952.
i			54.
j			28,341.
k			22,681.
l			-3,660.
m			0.
n			164.
o			-1,180.

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 }

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):

If gain, also enter in Part I, line 8, column (c).
If (loss), enter "-0-" in Part I, line 8

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	US TREASURY 7/15/15	P	01/01/12	07/16/15
b	520 TEVA PHARMACEUTICAL	P	01/01/12	08/04/15
c	513 TOTAL S A SPONSORED ADR	P	01/01/12	08/10/15
d	128 PRECISION CASTPARTS	P	01/01/12	09/01/15
e	US TREASURY 9/18/14	P	01/01/12	09/17/15
f	140 CITIGROUP	P	01/01/12	10/08/15
g	585 EXPEDITORS INTL	P	01/01/12	10/08/15
h	1515 WESTERN UNION	P	01/01/12	10/16/15
i	290 DIAGEO PLC-SPONSORED ADR	P	01/01/12	10/19/15
j	580 MERCK & CO	P	01/01/12	11/05/15
k	75 IBM	P	01/01/12	11/10/15
l				
m				
n				
o				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 60,960.		61,499.	-539.
b 36,385.		19,723.	16,662.
c 25,116.		24,422.	694.
d 29,306.		24,614.	4,692.
e 169,857.		169,857.	0.
f 7,119.		3,340.	3,779.
g 28,377.		20,799.	7,578.
h 29,074.		24,266.	4,808.
i 32,396.		31,879.	517.
j 31,899.		19,091.	12,808.
k 10,502.		14,473.	-3,971.
l			
m			
n			
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-539.
b			16,662.
c			694.
d			4,692.
e			0.
f			3,779.
g			7,578.
h			4,808.
i			517.
j			12,808.
k			-3,971.
l			
m			
n			
o			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	106,083.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8		3	N/A

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Part XV **Supplementary Information**

3a Grants and Contributions Paid During the Year Continuation of Purpose of Grant or Contribution

Name of Recipient - AQUILLA ISD

TO MOVE AN ELECTRIC TRANSFORMER TO INCREASE SIZE OF OUTDOOR PLAYGROUND
& ADD A "BUDDY BENCH" AND OUTDOOR WATER FOUNTAIN.

Name of Recipient - HILL COLLEGE

DEVELOP EMERGENCY PREPARED KITS FOR INCIDENT COMMAND TEAM & FOR EACH
CAMPUS BUILDING & THE RESIDENCE HALLS.

Name of Recipient - LAKE WHITNEY PUBLIC LIBRARY

TO EXTEND THE LIBRARY SERVICE SPACE BY PROVIDING CONTRASTING PROGRAM
AREAS AND ENHANCING OUTSIDE APPEAL OF FACILITY.

Form 990-PF Dividends and Interest from Securities Statement 1

Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
REGIONS BANK DIVIDENDS	38,750.	0.	38,750.	38,750.	
REGIONS BANK INTEREST	5,949.	0.	5,949.	5,949.	
To Part I, line 4	44,699.	0.	44,699.	44,699.	

Form 990-PF Accounting Fees Statement 2

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
ACCOUNTING	2,250.	2,250.		0.
To Form 990-PF, Pg 1, ln 16b	2,250.	2,250.		0.

Form 990-PF Other Professional Fees Statement 3

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INVESTMENT MANAGEMENT FEES	24,320.	24,320.		0.
To Form 990-PF, Pg 1, ln 16c	24,320.	24,320.		0.

Form 990-PF

Taxes

Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
PAYROLL TAXES	287.	287.		0.
EXCISE TAX	1,303.	0.		0.
FOREIGN TAX	725.	725.		0.
To Form 990-PF, Pg 1, ln 18	2,315.	1,012.		0.

Form 990-PF

Other Expenses

Statement 5

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
PENALTIES	11.	0.		0.
WEBSITE EXPENSES	1,150.	1,150.		0.
POSTAGE & BOX RENTAL	112.	112.		0.
OFFICE SUPPLIES	181.	181.		0.
To Form 990-PF, Pg 1, ln 23	1,454.	1,443.		0.

Form 990-PF

U.S. and State/City Government Obligations

Statement 6

Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
UST INFLATION NOTE 1.87 7/15	X		0.	0.
UST INFL 1.625 1/18	X		264,027.	304,414.
UNITED STATES TREASURY 6/14	X		0.	0.
UNITED STATES TREASURY 9/14	X		0.	0.
US TREASURY BILL 11/5/15	X		109,885.	109,882.
US TREASURY BILL 09/17/15	X		19,999.	19,996.
Total U.S. Government Obligations			393,911.	434,292.
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			393,911.	434,292.

Form 990-PF	Corporate Stock	Statement	7
Description	Book Value	Fair Market Value	
443 SH JOHNSON & JOHNSON	21,977.	45,505.	
1020 WALMART STORES	46,951.	62,526.	
1064 COMCAST	13,572.	60,042.	
1291 INTEL	16,529.	44,475.	
1090 MICROSOFT	22,226.	60,473.	
953 LEGG MASON	0.	0.	
920 PROCTOR & GAMBLE	55,053.	73,057.	
810 NESTLE	35,604.	60,326.	
1316 APOLLO GROUP	0.	0.	
750 ABBOTT LABS	17,750.	33,683.	
632 MEDTRONIC INC	0.	0.	
580 MERCK & CO	0.	0.	
885 PEPSICO	56,874.	88,429.	
1590 CITIGROUP	37,831.	82,283.	
26 ALPHABET(GOOGLE) CL A	6,954.	20,228.	
305 SCHLUMBERGER	21,040.	21,274.	
395 AFLAC INC	19,760.	23,661.	
585 EXPEDITORS INTL WASH	0.	0.	
463 IBM	73,111.	63,718.	
1848 NATIONAL OILWELL VARCO	87,817.	61,890.	
1414 ORACLE CORP	45,500.	51,654.	
1350 BP PLC SPONSORED ADR ONE	50,950.	42,201.	
520 TEVA PHARMACEUTICAL IND	0.	0.	
74 ALPHABET(GOOGLE) CL C	19,689.	56,157.	
1309 COCA COLA	49,215.	56,235.	
1890 INTERNATIONAL GAME TECHNOLOGY	0.	0.	
78 NOW INCE	0.	0.	
938 PHILIP MORRIS INTL	77,038.	82,460.	
858 ZOETIS INC	24,905.	41,116.	
7675 TESCO PLC	0.	0.	
704 HEINEKEN NV	47,305.	59,322.	
1515 WESTERN UNION	0.	0.	
335 QUALCOMM INC	24,090.	16,745.	
300 DEERE & CO	0.	0.	
FLEETCOR TECH 145	21,024.	20,725.	
CORE LABS 264	24,067.	28,707.	
FMC CORP 1142	53,956.	44,687.	
FRANKLIN RESOURCES	52,025.	45,252.	
MASTERCARD 537	49,890.	52,283.	
ANHEUSER BUSCH 287	31,545.	35,875.	
DIAGEO PLC SPONSORED ADR 169	17,360.	18,433.	
VALEANT PHARMACEUTICALS 237	23,968.	24,091.	
BERKSHIRE HATHAWAY 176	24,586.	23,239.	
Total to Form 990-PF, Part II, line 10b	1,170,162.	1,500,752.	

Form 990-PF	Other Investments	Statement 8
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Description	Valuation Method	Book Value	Fair Market Value
INTEREST RECEIVABLE	COST	4,893.	4,893.
Total to Form 990-PF, Part II, line 13		4,893.	4,893.

Form 990-PF	Depreciation of Assets Not Held for Investment	Statement 9
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Description	Cost or Other Basis	Accumulated Depreciation	Book Value
COMPUTER AND ACCESSORIES	1,723.	1,723.	0.
TABLE	41.	41.	0.
4 DRAWER FILING CABINET	189.	189.	0.
FILING CABINET	920.	776.	144.
Total To Fm 990-PF, Part II, ln 14	2,873.	2,729.	144.

Form 990-PF	Other Liabilities	Statement 10
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Description	BOY Amount	EOY Amount
FIT PAYABLE	2,088.	0.
PAYROLL TAXES PAYABLE	0.	297.
Total to Form 990-PF, Part II, line 22	2,088.	297.

Form 990-PF

Part VIII - List of Officers, Directors
Trustees and Foundation Managers

Statement 11

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
BETTY RAY DOHONEY P.O. BOX 1074 HILLSBORO, TX 76645	PRESIDENT 2.00	0.	0.	0.
D'ETTE COWAN 230 CATFISH TRAIL WHITNEY, TX 76692	VICE-PRESIDENT 1.00	0.	0.	0.
ANDREW L. SMITH P. O. BOX 1245 HILLSBORO, TX 76645	TREASURER 4.00	0.	0.	0.
PAUL BAKER 216 CARR SHTREET HILLSBORO, TX 76645	SECRETARY 1.00	0.	0.	0.
JOHN B. TUGGLE 302 CARR STREET HILLSBORO, TX 76645	DIRECTOR 1.00	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		0.	0.	0.

Form 990-PF

Grant Application Submission Information
Part XV, Lines 2a through 2d

Statement 12

Name and Address of Person to Whom Applications Should be Submitted

BETTY R. DOHONEY
P O BOX 1245
HILLSBORO, TX 76645

Telephone Number

254-582-2531

Form and Content of Applications

TYPED APPLICATION INCLUDING DESCRIPTION OF ORGANIZATION, PROGRAM OR PROJECT
FOR WHICH FUNDS ARE NEEDED, WHO WILL BENEFIT, AND IMPLEMENTATION STRATEGY.

Any Submission Deadlines

SEPTEMBER 1 EACH YEAR

Restrictions and Limitations on Awards

STATE OF TEXAS, IRC SECTION 501(C)(3) ORGANIZATIONS

2015 DEPRECIATION AND AMORTIZATION REPORT

Form 990-PF Page 1

Asset No	Description	Date Acquired	Method	Life	C Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	990-PF		Current Year Deduction	Ending Accumulated Depreciation
										Basis For Depreciation	Beginning Accumulated Depreciation		
1 COMPUTER AND ACCESSORIES	04/29/97	200DB	5.00	MQ17	1,723.				1,723.	1,723.		0.	1,723.
2 TABLE	05/05/97	200DB	7.00	MQ17	41.				41.	41.		0.	41.
3 4 DRAWER FILING CABINET	11/15/04	200DB	7.00	HY17	189.				95.	94.		0.	94.
4 FILING CABINET	01/08/13	200DB	7.00	HY17	920.				460.	460.	259.	57.	316.
* Total 990-PF Pg 1 Depr					2,873.				555.	2,318.	2,117.	57.	2,174.

Form 990-PF

NAME: George G. & Alva Hudson Smith Foundation

ID Number 74-2653426