

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.
- Go to www.irs.gov/Form990PF for instructions and the latest information.

2018

Open to Public
Inspection

For calendar year 2018, or tax year beginning 01-01-2018, and ending 12-31-2018

<p>Name of foundation THE LAWRENCE & NANCY PADFIELD FOUNDATION</p> <p>Number and street (or P O box number if mail is not delivered to street address) 11106 FALCONWING DRIVE</p> <p>City or town, state or province, country, and ZIP or foreign postal code THE WOODLANDS, TX 77381</p> <p>G Check all that apply</p> <p><input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity</p> <p><input type="checkbox"/> Final return <input type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Address change <input type="checkbox"/> Name change</p> <p>H Check type of organization</p> <p><input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation</p> <p><input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation</p> <p>I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 3,399,628</p> <p>J Accounting method</p> <p><input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual</p> <p><input type="checkbox"/> Other (specify) _____</p> <p><i>(Part I, column (d) must be on cash basis)</i></p>		<p>A Employer identification number 27-2798913</p> <p>B Telephone number (see instructions) (281) 370-0297</p> <p>C If exemption application is pending, check here ► <input type="checkbox"/></p> <p>D 1. Foreign organizations, check here ► <input type="checkbox"/></p> <p>2 Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/></p> <p>E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/></p> <p>F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/></p>			
		<p>Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</i></p>		(a) Revenue and expenses per books	(b) Net investment income
Revenue	1 Contributions, gifts, grants, etc, received (attach schedule)				
	2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	25,224	25,224		
	4 Dividends and interest from securities	86,829	86,829		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	474,783			
	b Gross sales price for all assets on line 6a	2,502,020			
	7 Capital gain net income (from Part IV, line 2)		474,783		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	586,836	586,836			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	9,090	6,060		3,030
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	2,823	1,823		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	28,617	28,617		
	24 Total operating and administrative expenses.				
Add lines 13 through 23	40,530	36,500		3,030	
25 Contributions, gifts, grants paid	214,100			214,100	
26 Total expenses and disbursements. Add lines 24 and 25	254,630	36,500		217,130	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	332,206				
b Net investment income (if negative, enter -0-)		550,336			
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	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash—non-interest-bearing		27,975	95,179	95,179
	2 Savings and temporary cash investments				
	3 Accounts receivable ►				
	Less allowance for doubtful accounts ►				
	4 Pledges receivable ►				
	Less allowance for doubtful accounts ►				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7 Other notes and loans receivable (attach schedule) ►				
	Less allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments—U S and state government obligations (attach schedule)				
	b Investments—corporate stock (attach schedule)		2,063,973	2,643,398	2,647,910
	c Investments—corporate bonds (attach schedule)		979,201	732,661	656,531
	11 Investments—land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach schedule) ►				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule)			87,013	
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach schedule) ►				
	15 Other assets (describe ► _____)		5,878	8	8
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)		3,164,040	3,471,246	3,399,628
	17 Accounts payable and accrued expenses				
	18 Grants payable		50,000	25,000	
	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 ► _____)		50,000	25,000	
	23 Total liabilities (add lines 17 through 22)				
	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		3,114,040	3,446,246	
	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)		3,114,040	3,446,246	
	31 Total liabilities and net assets/fund balances (see instructions)		3,164,040	3,471,246	

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	3,114,040
2 Enter amount from Part I, line 27a		2	332,206
3 Other increases not included in line 2 (itemize) ►		3	
4 Add lines 1, 2, and 3		4	3,446,246
5 Decreases not included in line 2 (itemize) ►		5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30		6	3,446,246

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 PUBLICLY TRADED SECURITIES		P		
b Capital Gain Dividends				
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 2,499,687		2,027,237	472,450	
b			2,333	
c				
d				
e				
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) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
a			472,450	
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	474,783
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

 Yes No

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

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))
2017	277,815	3,732,960	0 07442
2016	178,650	3,393,299	0 05265
2015	167,126	3,448,186	0 04847
2014	181,994	3,570,812	0 05097
2013	143,186	3,396,611	0 04216
2 Total of line 1, column (d)			0 268661
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years			0 053732
4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5			3,666,830
5 Multiply line 4 by line 3			197,026
6 Enter 1% of net investment income (1% of Part I, line 27b)			5,503
7 Add lines 5 and 6			202,529
8 Enter qualifying distributions from Part XIII, line 4			217,130

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	1	5,503
	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 ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 2b	1	5,503
c	All other domestic foundations enter 2% of line 2b 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	5,503
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	5,503
6	Credits/Payments		
a	2018 estimated tax payments and 2017 overpayment credited to 2018	6a	2,116
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	10,000
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d.	7	12,116
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	6,613
11	Enter the amount of line 10 to be Credited to 2019 estimated tax ►	6,613	Refunded ►
		11	

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? (see Instructions for definition).	1b	Yes	No
	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>			
c	Did the foundation file Form 1120-POL for this year?	1c	Yes	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?	2	Yes	No
	<i>If "Yes," attach a detailed description of the activities</i>			
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	Yes	No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	Yes	No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	Yes	No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5	Yes	No
	<i>If "Yes," attach the statement required by General Instruction T</i>			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either <ul style="list-style-type: none"> By language in the governing instrument, or By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? 	6	Yes	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions)			
	►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? <i>If "No," attach explanation</i>	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2018 or the taxable year beginning in 2018? See the instructions for Part XIV If "Yes," complete Part XIV	9	Yes	No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	Yes	No

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. See instructions.	11	No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement. See instructions	12	No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ►N/A	13	Yes
14	The books are in care of ►LAWRENCE J PADFIELD	Telephone no	►(281) 370-0297
Located at ►11106 FALCONWING DRIVE THE WOODLANDS TX		ZIP+4 ►773814491	
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	<input type="checkbox"/>
16	At any time during calendar year 2018, 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 ►	16	Yes No

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		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?	<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.	1b	No
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 2018?	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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? If "Yes," list the years ► 20____, 20____, 20____, 20____	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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	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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2018 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 2018).	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 2018?	4b	No

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

		Yes	No
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))?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/>	<input checked="" type="checkbox"/> No
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? See instructions.	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
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. ►	<input type="checkbox"/>	
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
	<i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
	<i>If "Yes" to 6b, file Form 8870</i>		
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
8	Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment during the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes

Yes 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 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
LAWRENCE JAMES PADFIELD 11106 FALCONWING DRIVE THE WOODLANDS, TX 773814491	President 3 00	0		
NANCY JEAN PADFIELD 11106 FALCONWING DRIVE THE WOODLANDS, TX 773814491	Vice Pres 1 00	0		
RAE ANN PADFIELD 677 HUNTLEY HEIGHTS BALLWIN, MO 63021	Treasurer 0 50	0		

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

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
NONE		

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.

1	
2	
3	
4	

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

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

1		Amount
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	3,534,726
b	Average of monthly cash balances.	1b	187,944
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	3,722,670
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	3,722,670
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	55,840
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,666,830
6	Minimum investment return. Enter 5% of line 5.	6	183,342

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

1	Minimum investment return from Part X, line 6.	1	183,342
2a	Tax on investment income for 2018 from Part VI, line 5.	2a	5,503
b	Income tax for 2018 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	5,503
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	177,839
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	177,839
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	177,839

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	217,130
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	217,130
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	5,503
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	211,627
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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				177,839
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only.				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2018				
a From 2013.				
b From 2014.				
c From 2015.				
d From 2016.				
e From 2017.	31,608			
f Total of lines 3a through e.	31,608			
4 Qualifying distributions for 2018 from Part XII, line 4 ► \$ 217,130				177,839
a Applied to 2017, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2018 distributable amount.				177,839
e Remaining amount distributed out of corpus	39,291			
5 Excess distributions carryover applied to 2018 (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	70,899			
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 instructions				
e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019				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 2013 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a	70,899			
10 Analysis of line 9				
a Excess from 2014.				
b Excess from 2015.				
c Excess from 2016.				
d Excess from 2017.	31,608			
e Excess from 2018.	39,291			

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 2018, enter the date of the ruling. ►			
b	Check box to indicate whether the organization is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)			
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.			
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 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))
See Additional Data Table

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. to individuals or organizations under other conditions, complete items 2a, b, c, and d See instructions

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

LAWRENCE NANCY PADFIELD
11106 FALCONWING DRIVE
THE WOODLANDS, TX 77381
(281) 370-0297

b The form in which applications should be submitted and information and materials they should include
SOLICITATIONS OF CHARITABLE NEEDS INCLUDING INTRODUCTORY LETTER OF QUALIFIED ORGANIZATION

c Any submission deadlines

NONE

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

SUPPORT OF CHARITABLE, RELIGIOUS, EDUCATIONAL AND SCIENTIFIC ENDEAVORS OF QUALIFIED ORGANIZATIONS UNDER PROVISIONS OF SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE

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
<i>a Paid during the year</i> See Additional Data Table				
Total				► 3a
<i>b Approved for future payment</i>				
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 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			14	25,224	
4 Dividends and interest from securities.			14	86,829	
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	474,783	
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).				586,836	
13 Total Add line 12, columns (b), (d), and (e). (See worksheet in line 13 instructions to verify calculations.)			13		586,836

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

Form 990PF Part XV Line 1a - 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).

LAWRENCE JAMES PADFIELD

NANCY JEAN PADFIELD

Form 990PF Part XV Line 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)				
<i>a Paid during the year</i>				
GOLFERS AGAINST CANCER 1700 LAKE KINGWOOD TR KINGWOOD, TX 77339	NONE	501C-3	CHARITABLE	51,000
ROMO FOUNDATION 9832 WHITCOMB LANE SAINT LOUIS, MO 63123	NONE	501C-3	CHARITABLE	10,000
NORTHWEST ASSISTANCE MINISTRIES 15555 KUYKENDAHL RD HOUSTON, TX 77090	NONE	501C-3	CHARITABLE	29,500
Total			► 3a	214,100

Form 990PF Part XV Line 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)				
<i>a Paid during the year</i>				
SPIRIT GOLF ASSOCIATION 2441 HIGH TIMBERS STE 430 THE WOODLANDS, TX 77380	NONE	501C-3	CHARITABLE	11,100
PENFED FOUNDATION 2930 EISENHOWER AVENUE ALEXANDRIA, VA 22314	NONE	501C-3	CHARITABLE	25,000
PTSD FOUNDATION OF AMERICA PO BOX 690748 HOUSTON, TX 77269	N/A	501C-3	CHARITABLE	25,000
Total			► 3a	214,100

Form 990PF Part XV Line 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				
PEARL FINCHER MUSEUM OF FINE ARTS 6815 CYPRESSWOOD DR SPRING, TX 77379	NONE	501C-3	CHARITABLE	10,000
UT MD ANDERSON CANCER CENTER PO BOX 301439 UNIT 0705 HOUSTON, TX 77230	NONE	501C(3)	CHARITABLE	6,500
MAXIMIZING CHILDREN'S MINISTRIES IN PO BOX 1744 CONROE, TX 77305	NONE	501C(3)	CHARITABLE	1,000
Total			► 3a	214,100

Form 990PF Part XV Line 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)				
<i>a Paid during the year</i>				
GEORGE W BUSH PRESIDENTIAL CENTER 2943 SMU BLVD DALLAS, TX 75205	NONE	501C(E)	CHARITABLE	25,000
CHINA CHAPEL UNITED METHODIST CHURC PO BOX 10484 HOUSTON, TX 77206	NONE	501C(3)	CHARITABLE	20,000
Total			► 3a	214,100

TY 2018 Accounting Fees Schedule

Name: THE LAWRENCE & NANCY PADFIELD FOUNDATION

EIN: 27-2798913

Software ID: 18007218

Software Version: 2018v3.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	9,090	6,060	0	3,030

TY 2018 Investments Corporate Bonds Schedule

Name: THE LAWRENCE & NANCY PADFIELD FOUNDATION

EIN: 27-2798913

Software ID: 18007218

Software Version: 2018v3.1

Investments Corporate Bonds Schedule

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORPORATE BONDS (MSSB) - SEE DETAIL	732,661	656,531

TY 2018 Investments Corporate Stock Schedule

Name: THE LAWRENCE & NANCY PADFIELD FOUNDATION

EIN: 27-2798913

Software ID: 18007218

Software Version: 2018v3.1

Investments Corporation Stock Schedule

Name of Stock	End of Year Book Value	End of Year Fair Market Value
PREFERRED STOCKS (MSSB) - SEE DETAIL	184,655	172,018
COMMON STOCKS (MSSB) - SEE DETAIL	2,458,743	2,475,892

TY 2018 Other Assets Schedule

Name: THE LAWRENCE & NANCY PADFIELD FOUNDATION

EIN: 27-2798913

Software ID: 18007218

Software Version: 2018v3.1

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
AR DIVIDENDS	178	208	208
OTHER IN TRANSIT RECEIVABLE	5,700	-200	-200

TY 2018 Other Expenses Schedule

Name: THE LAWRENCE & NANCY PADFIELD FOUNDATION

EIN: 27-2798913

Software ID: 18007218

Software Version: 2018v3.1

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	28,617	28,617		

TY 2018 Taxes Schedule

Name: THE LAWRENCE & NANCY PADFIELD FOUNDATION

EIN: 27-2798913

Software ID: 18007218

Software Version: 2018v3.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL EXCISE TAXES	1,000			
FOREIGN TAXES PAID ON DIVIDENDS	1,823	1,823		

STATEMENT 4 -**Preferred Stocks (MSSB)**

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Aegon NV (AEH)	2,177	2,177	2,139
Aegon NV (AED)	656	656	626
AGNC Investment Corp	526	526	531
Allstate Corp	2,176	2,202	2,110
Amer Homes 4 Rent (AMH H)	-	573	511
AmTrust Finl Srvcs Inc	600	727	399
Annaly Cap Mgmt	548	548	545
Aspen Insurance Hldg Ltd (AHL C)	6,434	6,820	5,839
Aspen Insurance Hldg Ltd (AHL D)	533	555	462
Axis Cap Holdings Ltd	2,040	2,109	1,947
Banco Santander SA GTD (Finance PRF SA FLR)	1,083	1,173	940
Bank of America Corp (BAC B)	-	1,075	1,079
Bank of America Corp (BAC C)	886	2,023	1,903
Bank of America Corp (BAC Y)	1,531	1,584	1,574
Bank of America Corp (BAC W)	4,118	4,275	4,248
Bk of America Co (BAC K)	-	528	520
Capital One	318	318	301
Capital One Finl Corp (COF P)	-	537	516
Capital One Finl Corp (COF H)	1,090	1,115	1,046
Capital One Finl Corp (COF D)	3,206	3,258	3,143
Charles Schwab Corp	2,040	2,119	2,075
CHS Inc (CHSCM)	2,726	2,801	2,550
CHS Inc (CHSCN)	5,322	5,636	5,136
CHS Inc Perpetual PRF CL B	528	557	488
CHS Inc/Red PFD CL B S 4	3,212	3,348	3,056
Citigroup Inc (C K)	6,583	6,914	6,817
Citigrp Inc (C J)	2,603	3,882	3,640
Colony Cap - Northstar Inc (CLNY J)	1,073	1,184	886
Colony Northstar Inc (CLNS E)	536	561	486
Digital Realty Trust	1,062	1,114	1,059
Digital Rlty Tr Inc Red Ser C	992	1,045	1,086
Enstar Goup Ltd	-	2,170	1,989
F N B Corp FLA Dep SHS Repstg	4,282	4,533	4,123
Farmland Partners Inc	1,103	1,266	907
Fifth Third Bancorp	5,258	5,506	5,174
Global Net Lease Inc Pfd Ser A	324	324	321
Goldman Sachs Grp Inc (GS J)	6,644	5,323	5,155
Goldman Sachs Grp Inc (GS K)	4,053	5,510	5,182
Huntington Bancshares	2,097	2,201	2,085
Iberiabank Corp SHS PFD B	499	525	521
Ing Groep NV (ISG)	1,080	1,080	1,046
Invesco Mtg Cap Inc	536	536	536
JPMorgan Chase & Co (JPM D)	-	525	526
JPMorgan Chase & Co (JPM H)	1,529	1,607	1,624
JPMorgan Chase & Co (JPM E)	1,858	1,961	1,928
JPMorgan Chase & Co (JPM B)	1,383	1,460	1,398
Keycorp	2,962	3,152	3,150
Morgan Stanley (MS K)	545	571	510
Morgan Stanley (MS I)	4,099	4,260	4,112
Morgan Stanley (MS F)	5,772	5,993	5,672
Morgan Stanley (MS E)	3,123	2,186	2,083
New York Cmnty BC Inc Ser A	4,102	4,525	3,857
Nisource Inc	-	1,046	1,052

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Partnerre Ltd (PRE G)	548	548	493
Partnerre Ltd (PRE H)	7,398	7,614	7,053
Peoples United Fin Inc SER A	4,154	4,438	3,820
PNC Finl-P	7,425	7,480	7,130
Regions Financial Co (RF B)	3,071	3,235	3,000
Regions Finl Corp	1,059	1,642	1,621
Royal Bk Scotland Grp PLC	1,078	-	-
SCE Trust IV	535	559	447
SCE Trust V	2,662	2,813	2,276
State Street Corp (STT D)	2,223	2,276	2,007
State Street Corp (STT G)	6,123	6,435	6,066
Stifel Financial Corp	1,601	1,652	1,556
Synovus Fin CP	2,524	539	505
Taubman Centers Inc	535	559	528
TCF Financial Corp	528	553	502
The Hartford Fin Ser (HIG G)	-	527	530
Two Harbors Invstmnt C	548	548	527
U S Bancorp (USB P)	-	526	518
Urstadt Biddle Ppty Inc Ser H	327	350	328
US Bancorp-F	2,847	1,917	1,801
Validus Hldgs Ltd (VR A)	283	-	-
Validus Hldgs Ltd (VR B)	1,608	-	-
Valley Natl Bancorp Ser-A	1,928	2,058	1,728
Valley Natl Bancorp PFD-B	528	554	477
Wells Fargo & Co (WFC X)	505	-	-
Wells Fargo & Co (WFC W)	1,032	542	523
Wells Fargo & Company (WFC V)	636	662	628
Wells Fargo & Company (WFC R)	7,930	8,206	7,831
Wells Fargo (WFC Q)	2,950	3,080	2,801
Wells Fargo (WFC J)	694	-	-
Wintrust Financial Corp	3,584	3,797	3,639
Zions Bancorp (ZB G)	3,291	3,345	3,074
	176,003	184,655	172,018
Trades Pending	(3,580)	-	-
Return of Capital	-	-	-
Total Preferred Stock (MSSB)	172,423	184,655	172,018

STATEMENT 4 -**Common Stocks (MSSB)**

MB Financial Inc New Ser C	538	538	487
3M Company	15,521	28,095	27,628
Aflac Incorporated	9,402	-	-
Alphabet Inc Cl A	13,497	-	-
Amazon Com Inc	15,641	-	-
Amer Intl GP Inc New (AIG)	-	18,610	18,799
American Tower REIT Com	20,797	27,860	39,231
Anheuser Busch Inbev SA Spon	21,092	35,958	22,968
Apple Inc	32,945	18,342	40,855
Astrazeneca Plc Ads	19,763	-	-
AT&T Inc (FKA Time Warner Inc New)	23,551	22,097	19,407
Automatic Data Processing Inc	18,318	-	-
Bank of America Corp	18,678	54,320	51,448
Bank of New York Mellon Corp	23,481	38,744	36,903

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Blackrock Inc	22,521	46,297	41,639
Brighthouse Finl Inc	1,596	-	-
Cisco Sys Inc	-	15,474	13,996
Coca Cola Co	27,222	38,533	44,746
Comcast Corp (new) Class A	23,339	43,870	43,482
Costco Wholesale Corp New	13,888	-	-
Cracker Barrel Old Ctry Store	28,466	-	-
Dowdupont Inc	18,298	44,329	37,382
Du Pont et de Nemours & Co	-	-	-
Ecolab Inc	15,607	25,854	30,943
Enbridge Inc	23,664	52,284	42,486
Exxon Mobil Corp	35,050	35,050	34,095
Facebook Inc Cl-A	23,755	-	-
General Electric Co	-	-	-
General Mtrs Co	14,180	34,928	29,704
Healthcare Tr Amer Inc Cl A	12,429	27,881	24,323
Home Depot Inc	23,437	39,719	45,704
Intel Corp	21,177	5,125	11,357
International Paper Co	28,444	39,531	32,651
Intl Business Machines Corp	-	-	-
Johnson & Johnson	20,953	42,037	42,586
JPMorgan Chase & Co	18,438	-	-
Linde PLC (FKA Praxair Inc)	9,427	36,227	34,485
Kimberly Clark Corp	20,845	-	-
Mastercard Inc Cl A	12,273	23,444	33,957
Mc Cormick and Co Non Voting	9,705	-	-
Mc Donalds Corp	30,468	17,265	30,187
Merck & Co Inc New Com	2,426	39,504	48,750
Metlife Incorporated	14,092	39,040	32,848
Microsoft Corp	20,832	35,474	52,918
Mondelez Intl Inc Com	21,355	36,992	35,787
Morgan Stanley	14,303	-	-
Nestle Spon ADR Rep Reg SHR	35,791	38,632	42,180
Nextera Energy Inc	13,087	19,467	27,290
Pentair PLC	10,526	-	-
Pepsico Inc NC	20,959	18,932	19,776
Pfizer Inc	29,171	29,171	43,650
Phillips 66 Com	13,096	25,096	24,294
PNC Finl Svcs GP	-	40,782	34,488
PPG Industries Inc	23,525	46,364	45,901
Proctor & Gamble	40,524	48,755	56,255
Raytheon Co (New)	18,908	37,102	36,037
Schlumberger Ltd	3,549	53,941	26,411
Spectra Energy Corp Com	-	-	-
Superior Uniform GPP Inc FL	20,091	-	-
Sysco Corp	20,909	27,098	29,576
Texas Instruments	18,235	25,287	30,807
Travelers Companies Inc Com	20,947	21,465	23,231
U S Bancorp Com New	13,088	35,881	32,904
Union Pacific Corp	36,659	18,110	34,143
United Parcel Ser Inc Cl-B	20,610	45,299	38,524
UnitedHealth GP Inc	13,090	13,090	22,172
Univest CP PA Com Stk	37,160	-	-
Verizon Communications	20,889	20,889	25,243
Visa Inc Cl A	11,443	24,656	31,798

LAWRENCE & NANCY PADFIELD FOUNDATION

2017 Form 990-PF

PAGE 2, PART II, BALANCE SHEETS

EIN: 27-2798913

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Vulcan Materials Co	-	22,937	24,206
Wal Mart Stores Inc	-	-	-
Walt Disney Co Hldg Co	22,067	40,634	42,983
Waste Mgmt Inc	14,035	27,159	31,858
WEC Energy Group Inc Com	21,844	31,039	44,603
Weyerhaeuser Co	38,080	-	-
Williams Co Inc	22,223	45,437	34,486
Zoetis Inc Class-A	11,406	18,412	27,202
Abbott Laboratories	-	11,443	12,658
Abbvie Inc Com	21,469	-	-
Allstate Corp	-	11,341	9,502
Altria Group Inc	22,737	-	-
Amer Intl GP Inc New	-	11,391	8,473
American Electric Power Co	5,750	-	-
AMN Healthcare Svcs Inc	-	11,525	11,899
Ansys Inc	-	7,908	6,432
Archer Daniels Midland	-	11,454	9,341
ASML Holding NV NY Reg New	8,641	-	-
Aspen Technology Inc	-	17,918	14,464
Astrazeneca PLC ADS	9,907	-	-
AT&T Inc	17,645	12,941	10,160
Bank of New York Mellon Corp	-	11,596	10,261
BB & T Corp	-	11,411	9,617
BCE Inc	21,370	-	-
Berkley W R Corp	-	11,542	11,234
BP PLC ADS	8,132	-	-
British Amer Tob Spon ADR	4,538	-	-
Cardinal Health Inc	-	11,368	10,035
CDN Impl Bk Commerce	6,483	-	-
CDW Corporation	-	13,351	12,644
Charles River Labs Intl Inc	-	9,922	9,054
Cheese Cake Factory Inc	-	6,024	5,178
Chevron Corp	11,648	-	-
Chubb Ltd	10,867	-	-
Cigna Corp	-	6,376	6,647
Cisco Sys Inc	-	11,527	11,526
CME Group Inc	9,155	-	-
Coca Cola Co	15,236	-	-
ConocoPhillips	-	11,505	9,976
Consolidated Edison Inc	5,697	-	-
Cooper Co Inc New	-	16,843	16,542
Copart Inc	-	11,348	9,269
Costco Wholesale Corp New	8,572	-	-
Crown CastleIntl Corp	12,467	-	-
CVS Health Corp Com	-	11,387	11,466
Danaher Corporation	7,546	-	-
Dentsply Sirona Inc	9,979	-	-
Devon Energy Corp New	1,107	-	-
Docusign Inc	-	6,997	6,974
Dollar Tree Inc	-	12,788	12,916
Dominion Energy Inc (FKA Dominion Res Inc)	14,267	-	-
Dover Corp	9,850	-	-
Dowdupont Inc	-	11,555	9,092
Duke Energy Corp New	15,879	-	-

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Edison International	-	11,475	9,651
Elanco Animal Health Inc	-	11,903	10,815
Equity Residential	-	11,323	11,156
Estee Lauder Co Inc Cl A	6,316	-	-
Expeditors Intl Wash Inc	-	15,592	13,686
Exxon Mobil Corp	14,354	-	-
Fedex Corp	4,820	-	-
Fidelity Natl Information SE	-	-	-
Flir Systems Inc	-	14,863	10,885
General Mills Inc	6,734	-	-
Glaxosmithkline PLC ADS	-	-	-
Haliburton Co	-	12,055	7,655
Intel Corp	-	11,703	11,169
Interactive Brokers Group Inc	-	10,424	10,766
IPG Photonics Corp	6,746	-	-
Jack Henry & Assoc Inc	-	12,157	11,007
Johnson & Johnson	10,072	11,389	11,098
Kimberly Clark Corp	11,328	-	-
Kraft Heinz Co	-	-	-
Lennar Corp Cl B	155	-	-
Lennar Corporation	9,363	-	-
Lennox Intl Inc	-	14,763	14,664
Lowes Companies Inc	-	11,359	10,714
Marathon Oil Co	-	11,573	8,045
Marsh & McLennan Cos Inc	-	11,418	10,926
Mc Donalds Corp	21,988	-	-
Merck & Co Inc New Com	-	11,417	13,143
Mondelez Intl Inc Com	-	11,584	10,648
Motorola Solutions Inc	12,365	-	-
MSCI Inc Com	-	17,198	14,890
National Grid PLC Spon ADR	133	-	-
Nordson CP	-	15,080	13,487
Northrop Grumman GP (Hldg Co)	-	11,182	9,306
Novartis AG ADR	9,478	-	-
Occidental Petroleum Corp DE	9,170	9,489	8,900
Oracle Corp	-	11,390	10,565
Pepsico Inc NC	5,682	-	-
Pfizer Inc	-	10,352	12,222
Philip Morris Intl Inc	22,279	-	-
Pool Corp	-	11,772	11,000
PPL Corporation	10,992	-	-
Primerica Inc	-	11,159	9,380
Proctor & Gamble	18,432	-	-
Public Service Enterprise GP	5,363	-	-
Public Storage	6,266	-	-
Quest Diagnostics Inc	-	11,278	8,660
Raytheon Co (New)	-	11,343	8,894
RBD Bearings Inc	-	14,401	13,241
Realty Income Corp	4,734	-	-
Roper Technologies, Inc	-	-	-
Sanofi ADR	16,594	-	-
Signature Bank	-	11,460	10,795
Siteone Landscape Supply Inc	-	12,367	10,612
Snap-On Inc	-	14,327	12,350
Southern Co	11,885	-	-

Teradyne Inc
 The Scotts Miracle-Gro Company
 Thor Industries Inc
 Total S A Spon ADR
 Unilever PLCs (new) ADS
 United Parcel Ser Inc Cl-B
 Ventas Inc
 Verizon Communications
 Vodafone Group PLC
 Wabco Hldgs Inc
 Waste Mgmt Inc
 Welltower Inc

Trades Pending
 Return of Capital
Total Common Stocks (MSSB)

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Teradyne Inc	-	18,561	14,121
The Scotts Miracle-Gro Company	-	16,202	12,907
Thor Industries Inc	-	12,179	7,748
Total S A Spon ADR	9,663	-	-
Unilever PLCs (new) ADS	7,187	-	-
United Parcel Ser Inc Cl-B	3,595	-	-
Ventas Inc	6,831	-	-
Verizon Communications	20,585	9,988	12,256
Vodafone Group PLC	17,443	-	-
Wabco Hldgs Inc	-	18,436	16,423
Waste Mgmt Inc	-	11,299	11,213
Welltower Inc	8,852	-	-
	1,891,673	2,464,979	2,482,128
Trades Pending	-	(6,236)	(6,236)
Return of Capital	(123)	-	-
Total Common Stocks (MSSB)	1,891,550	2,458,743	2,475,892

STATEMENT 5 -**Corporate Bonds (MSSB)**

GMAC Cap Trust I	6,372	6,372	6,388
Citigroup Capt XIII	2,590	2,099	2,141
Hartford Finl Svc Grp	2,497	2,289	2,133
Reinsurance Group America Inc (RZA)	4,647	3,925	3,678
Allstate Corp	3,770	2,910	2,742
Qwest Corp	1,132	1,177	947
Reinsurance Grp of America (RZB)	6,195	6,245	5,534
Torchmark Corp	734	734	729
Prudential Financial Inc	-	544	520
AT&T Inc (TBC)	-	543	510
Enbridge Inc	-	3,314	3,060
Duke Energy Corp	-	525	500
CMS Energy Corp	-	523	505
Algonquin Power & Utilities Corp	-	529	524
Allergen Funding SCS	19,129	-	-
Apple Inc	19,919	-	-
Southern Power Co	19,963	-	-
Citigroup Inc	19,033	-	-
General Mills Inc	19,462	19,462	18,045
Hughes Satellite Systems Corporation	19,474	19,474	18,158
American Honda Finance	19,673	-	-
CVS Health Corp	19,138	19,138	18,907
DTE Energy Co	19,698	19,698	19,704
D R Horton Inc	19,760	19,760	19,036
Reynolds American Inc	19,594	19,593	18,883
Exelon Corp	19,317	19,317	18,849
Lockheed Martin Corp	19,104	19,104	18,779
Dominion Resources Inc	21,519	-	-
Limited Brands Inc	19,778	-	-
AT&T Inc	26,798	13,744	13,282
Walt Disney Company	19,208	19,208	18,338
Intl Lease Finance Corp	19,349	19,349	17,788
Ball Corp	19,956	13,686	13,065

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Berkshire Hathaway Fin	19,522	-	-
United Parcel Service	16,017	16,017	15,665
PVH Corp	19,360	-	-
John Deere Capital Corp	24,148	16,099	15,643
Merck & Co Inc	24,223	16,148	15,785
Oracle Corp	19,839	19,839	19,257
Toyota Motor Credit Corp	19,235	19,235	18,937
Simon Property Group LP	19,843	19,843	19,044
Waste Management Inc	19,580	-	-
Amerigas Finance LLC/Cor	20,000	13,000	12,285
Bank of America Corp	19,425	19,425	18,844
Steel Dynamics Inc	19,082	19,082	17,820
Aes Corp/VA	19,621	12,754	12,903
Levi Strauss & Co	-	16,037	15,640
Qualcomm Inc	19,322	19,322	18,280
General Motors Financial Co Inc	19,782	12,859	12,319
Kraft Heinz Foods Company	19,338	-	-
Sally Hldgs LLC / Sally Cap Inc	19,760	-	-
Express Scripts Holding Co	16,552	14,345	13,176
Comcast Corp	19,977	-	-
GLP Capital LP / Fin II	19,451	19,451	18,791
Boston Properties LP	19,468	19,468	18,968
Ecolab Inc.	19,954	19,954	19,594
Warner Media LLC (FKA Time Warner Inc)	19,972	19,972	18,766
CSX Corp	21,422	14,281	13,172
EPR Properties	22,350	14,223	13,494
Jefferies Group Inc	16,042	16,042	14,639
Lincoln National Corp	-	16,828	16,488
Western Gas Partners LP	-	16,746	15,890
Prudential Financial Inc	-	15,849	16,079
Marriott International Inc/MD	-	16,521	16,342
	921,094	676,602	650,566
Accrued Interest	-	-	5,965
Premium Amortization	58,107	56,059	-
Total Corporate Bonds (MSSB)	979,201	732,661	656,531

BALANCE SHEETS - Investments - Other -
Exchange-Traded & Closed-End Funds

SPDR S&P 500 ETF Trust	48,448	-	-
Ishares Core S&P U S Value	38,565	-	-
Total ETF's & CEF's	87,013	-	-