

**MINNEAPOLIS JEWISH FEDERATION
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED AUGUST 31, 2016 AND 2015

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Minneapolis Jewish Federation and Subsidiaries
Minneapolis, Minnesota

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Minneapolis Jewish Federation and Subsidiaries which comprise the consolidated statements of financial position as of August 31, 2016 and 2015, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Minneapolis Jewish Federation and Subsidiaries as of August 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating schedules for the statements of financial position and the consolidating schedules for the statements of activities, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
January 19, 2017

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2016 AND 2015

ASSETS	2016	2015
Cash and Cash Equivalents	\$ 3,703,922	\$ 2,238,910
Investments	116,732,547	102,898,871
Land Held for Sale	967,288	967,288
Pledges Receivable, Net:		
Annual Campaign	4,987,920	5,530,874
Capital Campaign	-	284,918
Other Assets	21,171	-
Loans Receivable, Net	522,032	342,948
Estate Receivables	1,076,000	7,352,942
Split-Interest Agreements:		
Investments Held in Charitable Trusts	337,678	199,920
Interest in Charitable Trusts Held by Others	4,423	4,743
Pooled Income Funds	157,065	604,298
Receivable from Termed Charitable Trust	-	1,605,347
Property and Equipment, Net of Accumulated Depreciation	13,058,798	13,971,756
Other Assets	453,801	460,306
	\$ 142,022,645	\$ 136,463,121
Total Assets	\$ 142,022,645	\$ 136,463,121
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 292,261	\$ 386,704
Debt	1,050,000	1,050,000
Line of Credit	356,745	-
Allocations and Contributions Payable:		
Beneficiary Organizations	3,814,017	3,709,941
Jewish Federations of North America	3,260,197	3,411,017
Distributions Held for Others	2,425,000	-
Leases at Below Market Rates	10,123,475	10,123,475
Agency Funds Payable	24,142,812	22,553,876
Other Liabilities	675,217	838,263
Deferred Income under Pooled Income Agreements	76,789	186,004
Obligations under Split-Interest Agreements	279,824	201,364
Total Liabilities	46,496,337	42,460,644
NET ASSETS		
Unrestricted	88,091,082	78,024,456
Temporarily Restricted	3,090,469	11,633,489
Permanently Restricted	4,344,757	4,344,532
Total Net Assets	95,526,308	94,002,477
	\$ 142,022,645	\$ 136,463,121
Total Liabilities and Net Assets	\$ 142,022,645	\$ 136,463,121

See accompanying Notes to Consolidated Financial Statements.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED AUGUST 31, 2016 AND 2015

	2016			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
PUBLIC SUPPORT AND REVENUES				
Public Support:				
Campaigns, Contributions and Other	\$ 13,865,340	\$ 637,261	\$ 225	\$ 14,502,826
Revenues:				
Interest and Dividends	1,374,316	34,431	-	1,408,747
Net Realized Gain on Investments	1,172,378	86,967	-	1,259,345
Net Unrealized Gain (Loss) on Investments	563,259	66,580	-	629,839
Change in Value of Split-Interest Agreements	44,782	(320)	-	44,462
Rental Income	740,178	-	-	740,178
Other	657,096	-	-	657,096
Total Revenues	<u>4,552,009</u>	<u>187,658</u>	<u>-</u>	<u>4,739,667</u>
Net Assets Released from Restrictions	<u>9,367,939</u>	<u>(9,367,939)</u>	<u>-</u>	<u>-</u>
Total Public Support and Revenues	27,785,288	(8,543,020)	225	19,242,493
EXPENSES				
Program Services:				
Annual Campaign Allocations	6,428,399	-	-	6,428,399
Contribution for Leases at Below-Market Rates	421,811	-	-	421,811
Community Services	2,221,391	-	-	2,221,391
Other Grants and Contributions	5,291,141	-	-	5,291,141
Total Program Services	<u>14,362,742</u>	<u>-</u>	<u>-</u>	<u>14,362,742</u>
Supporting Services:				
Management and General:				
Administrative Expense	1,119,815	-	-	1,119,815
Building Administration	617,774	-	-	617,774
Interest Expense	38,475	-	-	38,475
Provision for Uncollectible Pledges and Loans	(9,010)	-	-	(9,010)
Fundraising	1,588,866	-	-	1,588,866
Total Supporting Services	<u>3,355,920</u>	<u>-</u>	<u>-</u>	<u>3,355,920</u>
Total Expenses	<u>17,718,662</u>	<u>-</u>	<u>-</u>	<u>17,718,662</u>
CHANGE IN NET ASSETS	10,066,626	(8,543,020)	225	1,523,831
Net Assets - Beginning of Year	<u>78,024,456</u>	<u>11,633,489</u>	<u>4,344,532</u>	<u>94,002,477</u>
NET ASSETS - END OF YEAR	<u>\$ 88,091,082</u>	<u>\$ 3,090,469</u>	<u>\$ 4,344,757</u>	<u>\$ 95,526,308</u>

See accompanying Notes to Consolidated Financial Statements.

2015

Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 14,866,629	\$ 8,167,986	\$ 300	\$ 23,034,915
1,118,625	37,852	-	1,156,477
1,199,780	50,439	-	1,250,219
(4,615,059)	(329,914)	-	(4,944,973)
5,846	(2,988)	-	2,858
710,953	-	-	710,953
260,347	-	-	260,347
(1,319,508)	(244,611)	-	(1,564,119)
916,124	(916,124)	-	-
14,463,245	7,007,251	300	21,470,796
6,399,392	-	-	6,399,392
421,811	-	-	421,811
1,355,837	-	-	1,355,837
5,381,143	-	-	5,381,143
13,558,183	-	-	13,558,183
1,063,126	-	-	1,063,126
595,057	-	-	595,057
42,649	-	-	42,649
69,415	-	-	69,415
1,293,646	-	-	1,293,646
3,063,893	-	-	3,063,893
16,622,076	-	-	16,622,076
(2,158,831)	7,007,251	300	4,848,720
80,183,287	4,626,238	4,344,232	89,153,757
\$ 78,024,456	\$ 11,633,489	\$ 4,344,532	\$ 94,002,477

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2016

	Program Services			Supporting Services			Total Expenses
	Campaign Allocations	Other Contributions	Community Services	General Operations			
				Federation	Building	Fundraising	
Annual Campaign	\$ 6,428,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,428,399
Contribution for Leases at Below-Market Rates	-	421,811	-	-	-	-	421,811
Other Grants and Contributions from JCF	-	5,291,141	-	-	-	-	5,291,141
Other Expense:							
Employee Expenses	-	-	1,100,209	563,874	-	1,073,668	2,737,751
Professional Fees	-	-	69,187	374,375	7,591	149,670	600,823
Supplies	-	-	16,836	78,015	2,359	12,558	109,768
Telephone	-	-	450	5,012	173	6,285	11,920
Postage	-	-	4,032	7,996	-	35,479	47,507
Occupancy	-	-	308,314	1	131,476	-	439,791
Equipment and Repairs	-	-	9,675	21,570	-	6,230	37,475
Publications and Advertising	-	-	39,943	3,286	-	76,970	120,199
Missions and Travel	-	-	176,427	101	-	1,284	177,812
Conferences, Meetings and Membership	-	-	261,198	16,406	-	174,862	452,466
Program Management	-	-	-	-	-	-	-
Depreciation and Amortization	-	-	102,616	29,306	476,175	-	608,097
Other	-	-	132,504	19,873	-	51,860	204,237
Total Other Expense	-	-	2,221,391	1,119,815	617,774	1,588,866	5,547,846
Interest Expense	-	-	-	3,789	34,686	-	38,475
Provision for Uncollectible Pledges and Loans	-	-	-	(9,010)	-	-	(9,010)
Total Expenses	\$ 6,428,399	\$ 5,712,952	\$ 2,221,391	\$ 1,114,594	\$ 652,460	\$ 1,588,866	\$ 17,718,662

See accompanying Notes to Consolidated Financial Statements.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2015

	Program Services			Supporting Services			Total Expenses
	Campaign Allocations	Other Contributions	Community Services	General Operations			
				Federation	Building	Fundraising	
Annual Campaign	\$ 6,399,392	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,399,392
Contribution for Leases at Below-Market Rates	-	421,811	-	-	-	-	421,811
Other Grants and Contributions from JCF	-	5,381,143	-	-	-	-	5,381,143
Other Expense:							
Employee Expenses	-	-	685,342	525,405	-	883,051	2,093,798
Professional Fees	-	-	29,603	230,619	4,787	60,640	325,649
Supplies	-	-	16,484	56,114	2,564	14,426	89,588
Telephone	-	-	1,105	6,239	167	11,174	18,685
Postage	-	-	5,774	13,305	-	26,936	46,015
Occupancy	-	-	209,177	-	110,422	-	319,599
Equipment and Repairs	-	-	14,806	17,981	-	13,777	46,564
Publications and Advertising	-	-	36,466	9,198	-	59,931	105,595
Missions and Travel	-	-	37,991	782	-	2,676	41,449
Conferences, Meetings and Membership	-	-	192,997	18,913	-	140,750	352,660
Program Management	-	-	-	-	-	-	-
Depreciation and Amortization	-	-	102,616	31,683	477,117	-	611,416
Other	-	-	23,476	152,887	-	80,285	256,648
Total Other Expense	-	-	1,355,837	1,063,126	595,057	1,293,646	4,307,666
Interest Expense	-	-	-	4,856	37,793	-	42,649
Provision for Uncollectible Pledges and Loans	-	-	-	69,415	-	-	69,415
Total Expenses	<u>\$ 6,399,392</u>	<u>\$ 5,802,954</u>	<u>\$ 1,355,837</u>	<u>\$ 1,137,397</u>	<u>\$ 632,850</u>	<u>\$ 1,293,646</u>	<u>\$ 16,622,076</u>

See accompanying Notes to Consolidated Financial Statements.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,523,831	\$ 4,848,720
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	608,097	611,416
Provision for Uncollectible Pledges and Loans	(9,010)	69,415
Gain on Disposal of Property and Equipment	(60,141)	-
Change in Value of Split-Interest Agreements	(44,462)	(2,858)
Contribution Expense for Leases at Below-Market Rates	421,811	421,811
Imputed Rental Revenue from Contributed Lease	(421,811)	(421,811)
Contributions Received Restricted to Investment in Endowment Funds	(225)	(300)
Net Unrealized (Gain) Loss on Investments	(629,839)	4,944,973
Net Realized Gain on Investments	(1,259,345)	(1,250,219)
(Increase) Decrease in Pledges Receivable	815,711	2,391
(Increase) Decrease in Estate Receivable	6,276,942	(7,352,942)
(Increase) Decrease in Other Assets	6,505	12,680
Increase (Decrease) in Accounts Payable and Accrued Expenses	(94,443)	(73,361)
Increase (Decrease) in Allocations and Contributions Payable	2,378,256	(893,197)
Increase (Decrease) in Other Liabilities	(163,046)	176,381
Net Cash Provided by Operating Activities	9,348,831	1,093,099
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of Property and Equipment	365,002	-
Increase in Loans Receivable	(232,334)	-
Payments on Loans Receivable	53,250	111,902
Contributions to Agency Funds	2,143,351	3,584,871
Distributions from Agency Funds	(991,337)	(895,602)
Net Change in Split-Interest and Pooled Income Agreements	1,928,849	71,947
Purchases of Investments	(23,258,212)	(12,568,745)
Sale of Investments	11,750,642	9,121,987
Net Cash Used by Investing Activities	(8,240,789)	(573,640)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Draws on Line of Credit	2,071,635	-
Repayment on Line of Credit	(1,714,890)	-
Contributions Received Restricted to Investment in Endowment Funds	225	300
Net Cash Provided by Financing Activities	356,970	300
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,465,012	519,759
Cash and Cash Equivalents - Beginning of Year	2,238,910	1,719,151
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,703,922	\$ 2,238,910
SUPPLEMENTAL DISCLOSURE		
Interest Paid During the Year	\$ 38,475	\$ 42,649

See accompanying Notes to Consolidated Financial Statements.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Minneapolis Jewish Federation (the Organization) is a nonprofit organization which strives to build community, care for the welfare of Jews everywhere and maximize participation in Jewish life.

The consolidated financial statements of the Organization include the Jewish Community Foundation (the JCF), the Jewish Community Building Corporation (the JCBC), and four supporting foundations. The JCF was created by action of the board of directors and is administered by a board of trustees appointed by the president of the Organization, with the approval of the board of directors. The JCF is not a separate legal entity. The JCF accepts gifts for its general, special, and designated funds. It also manages donor advised funds, charitable trusts, remainder trusts, and similar grants in the interest of the community. Actions of the trustees are subject to approval by the JCF Board of Trustees and, when necessary, the Organization's Board of Directors. The JCBC is a wholly owned subsidiary of the Organization, organized for the purpose of holding real estate assets for the Organization. The consolidated financial statements include elimination entries between the Organization and JCBC. The four supporting foundations of the Organization were formed to fund both the Organization and charities supported by the Organization. The Organization appoints a majority of the board members for these foundations. In June 2016, the Organization created a new entity called JCF Condo Holdings, LLC for the purposes of holding and selling two real estate donations. The JCF Condo Holdings, LLC activity during the years ended August 31, 2016 and 2015 is included in the MJF financial statements.

Basis of Presentation

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets – represent that portion of expendable funds that are available for support of the operations of the Organization.

Temporarily restricted net assets – consist of contributions that have been restricted by the donor for specific purposes or are not available for use until a specific time.

Permanently restricted net assets – consist of contributions that are limited by donor-imposed stipulations to invest the principal in perpetuity and to expend the income for program activities.

Principles of Consolidation

The consolidated financial statements herein include the consolidated operations of the Organization, the JCBC, and four supporting organizations. Intercompany transactions have been eliminated in the preparation of the accompanying consolidated financial statements.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Organization considers all money market funds and certificates of deposit with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents for purposes of the consolidated statement of cash flows exclude restricted cash and cash equivalents. At times the balance may exceed federally insured limits.

Investments

Investments consist primarily of debt and equity securities and mutual funds. Investments in marketable debt and equity securities and mutual funds are carried at fair value based on quoted market prices. Certain investments held in alternative structures are estimated by the respective investment managers as market values are not readily determinable. Alternative investments consist of limited liability corporations, limited partnerships, funds of funds and hedge funds. Other investments held by the Organization's supporting organizations are reported at estimated fair value as provided by the supporting organizations using the most recent financial information. The Organization has approximately \$3.0 million in 2016 and 2015, in non-publicly traded equity investments within the supporting organizations that are reported at cost. The Organization also has approximately \$2.8 million in 2016 and \$3.0 million in 2015 in Israel bonds and an interest in a real estate partnership that is reported at cost.

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the market volatility with certain investment securities, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements.

Pledges Receivable

Unconditional promises to give cash and other assets to the Organization are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements. Gifts with donor stipulations that the corpus be maintained in perpetuity are recorded as permanently restricted net assets. Unconditional promises to give due in subsequent years are reflected as pledges receivable and are recorded at the present value of the expected future cash flows.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Uncollectible Pledges

The balance in the allowance for uncollectible pledges is based on management's analysis of unpaid pledges and reflects an amount that, in management's judgment, is adequate to provide for losses after giving consideration to past experience, current economic conditions, and other factors deserving current recognition.

Loans Receivable

The loans receivable consist of non-interest bearing notes with maturities through 2024. The Organization provides an allowance for uncollectible loans using the allowance method as well as a specific identification method.

Estate Receivables

The estate receivables consist of three bequests recorded at the estimated value of the Organization's portion of the estate. Each bequest is at various stages in the determination or pay-out of the estate funds to the Organization. Estate receivables are recorded at the present value of any long term portion of the expected pay-out.

Interest in Charitable Trusts Held by Others

An asset is recorded for the net present value of future cash flows from charitable remainder trusts held by others. The Organization will receive these assets upon the death of the beneficiaries.

Pooled Income Funds

The Organization has pooled income funds in which the donor is to receive a life interest in any income earned on these funds. Upon the donor's death, the value of the fund is available to the Organization for unrestricted use. The funds are stated at their fair value as of August 31, 2016 and 2015.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Expenditures for renewal and betterments are capitalized. Repair and maintenance costs are charged to expense. Gifts of long-lived assets such as land, buildings, or equipment are recorded at fair value at the date of donation. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Interest is capitalized in connection with the construction of facilities. The capitalized interest is recorded as part of the asset to which it relates and is amortized over the asset's useful life.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued)

The Organization capitalizes items over \$5,000. Depreciation is calculated on a straight-line basis over the estimated useful lives of the underlying assets, ranging from 3 to 10 years for the various elements of furniture and equipment, 15 years for building systems and 40 years for buildings and improvements.

Land Held for Sale

Land held for sale is carried at the lower of cost or estimated fair value. If the land is donated, cost is considered the fair value as of the date of donation.

Allocations and Contributions Payable

The Organization has binding commitments to fund beneficiary organizations and the Jewish Federations of North America. The allocations are recorded when approved by the Organization's Board of Directors.

Agency Funds Payable

The Organization follows accounting guidance regarding transfer of assets to a nonprofit that raises or holds contributions for others. Contributions where the donor has specified the beneficiary or the determination of the beneficiary is under the control of another third party are treated as agency transactions and are not reported as contribution revenues or grant distributions in the consolidated statement of activities unless the Organization has variance power with respect to the determination of the beneficiary. Variance power is the unilateral ability to redirect the use of the transferred assets to another beneficiary.

Deferred Income under Pooled Income Agreements

Deferred revenue is recorded on pooled income funds to represent the amount of the discount for future interest. The liability is calculated as the difference between the fair value of the pooled income funds and the actuarially determined net present value of these assets.

Obligations under Split-Interest Agreements

A liability is recorded for certain assets for which the Organization acts as an agent. The related agreements have stipulations that the assets be passed on to specific entities.

Functional Allocation of Expenses

Expenses are specifically allocated to the various programs and supporting services whenever practical and, when this is impractical, allocations are made on the basis of best estimates of management.

Advertising Expenses

Advertising costs are expensed when incurred. Advertising costs were \$30,254 and \$28,261 for the years ended August 31, 2016 and 2015, respectively.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, accounts payable and accrued expenses, allocations and contributions payable, and agency funds payable approximate fair value because of the short maturity of these financial instruments. Pledges receivable are recorded at fair value, using an appropriate discount rate. Investments are carried at fair value, based upon quoted market values or estimated fair value as determined by the general partner and the fund's manager. Assets for split-interest agreements are reported at fair value based on the fair value of the underlying investments. An estimate of the fair value of the contract for deed reported as a component of long-term debt is not readily determinable. Deferred income under pooled income agreements and obligations under split-interest agreements are reported at fair value based on life expectancy of the beneficiary and the present value of expected cash flows using a discount rate.

Fair Value Measurements

In accordance with accounting standards, the Organization has categorized its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Organization has the ability to access. Level 1 assets of the Organization include corporate stocks, bonds, and mutual funds.

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in non-active markets;
- Pricing models whose inputs are observable for substantially the full term of the asset or liability; and
- Pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset or liability.

Level 2 assets include corporate bonds and mutual funds and alternative investments.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability. Securities valued using Level 3 assets include alternative investments, pooled income funds and interest in charitable trusts held by others. A description of the alternative investments can be found in Note 1 under investments.

Uniform Prudent Management of Institutional Funds Act

During 2008, the Uniform Prudent Management of Institutional Funds Act (UPMIFA) became effective in the State of Minnesota. In August 2008, accounting guidance was released which provided guidance on the classification of endowment fund net assets for states that have enacted versions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and enhances disclosures for endowment funds. Under UPMIFA all unappropriated endowment fund assets are considered restricted.

Use of Estimates in the Preparation of Consolidated Financial Statements

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Tax Exempt Status

The Organization received authority from the Internal Revenue Service (IRS) to operate as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC) and the JCBC is exempt under Section 501(c)(25) of the IRC. The supporting foundations included in these consolidated financial statements are also exempt from income taxes under Section 501(c)(3) of the IRC. JCF Condo Holdings, LLC is a wholly owned limited liability corporation of the Organization and all activities are included in the filings of the Organization.

The Organization has adopted a policy that clarifies the accounting for uncertainty in income taxes recognized in an organization's financial statements. The policy describes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The implementation of this policy had no impact on the Organizations' consolidated financial statements.

The Organization's tax returns are subject to review and examination by federal, state and local authorities.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services

The Organization receives a significant amount of donated services from unpaid volunteers who assist in fundraising and special projects. No amounts have been recognized in the consolidated statement of activities because the criteria for recognition have not been satisfied.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 19, 2017, the date the consolidated financial statements were available to be issued. Subsequent to year-end, purchase agreements were signed to sell land held at a cost of \$900,000 by the Federation. The Federation will receive a gross sales price of approximately \$930,000.

NOTE 2 INVESTMENTS

A summary of investments by type at August 31, 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Cash and Cash Equivalents	\$ 1,935,833	\$ 3,698,842
Corporate Stocks and Equity Mutual Funds	62,657,084	54,618,470
Corporate Bonds and Bond Mutual Funds	14,571,050	7,900,536
Israel Bonds	765,533	963,363
Interest in Real Estate Partnership	2,000,000	2,000,000
Pooled Income Funds, Underlying Investments in:		
Cash and Cash Equivalents	8,057	30,997
Corporate Stocks and Equity Mutual Funds	61,372	236,126
Corporate Bonds and Bond Mutual Funds	87,636	337,175
Alternative Investments, Underlying Investments in:		
Private Equity and Hedge Funds	10,780,256	10,785,809
Corporate Bonds	7,362,421	7,533,858
International Hedge Fund	-	-
Real Estate	4,276,708	3,902,865
Investment Held by Supporting Organizations:		
Cash and Cash Equivalents	1,308,886	1,106,711
Corporate Stocks and Equity Mutual Funds	5,974,567	4,818,922
Corporate Bonds and Bond Mutual Funds	465,531	844,131
Alternative Investments, Underlying Investments in:		
Private Equity and Hedge Funds	4,285,324	4,376,882
Other	687,032	548,402
Total Investments	<u>\$ 117,227,290</u>	<u>\$ 103,703,089</u>

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 2 INVESTMENTS (CONTINUED)

Investments are included in the following asset categories on the consolidated statements of financial position as of August 31, 2016 and 2015:

	2016	2015
Investments	\$ 116,732,547	\$ 102,898,871
Investments Held in Charitable Trusts	337,678	199,920
Pooled Income Funds	157,065	604,298
Total Investments	<u>\$ 117,227,290</u>	<u>\$ 103,703,089</u>

Investment income (loss) for the years ended August 31, 2016 and 2015 consisted of the following:

	2016	2015
Interest and Dividends	\$ 1,526,332	\$ 1,275,261
Realized Gain on Investments	1,259,345	1,250,219
Net Unrealized Gain (Loss) on Investments	629,839	(4,944,973)
Investment Expenses	(117,585)	(118,784)
Total	<u>\$ 3,297,931</u>	<u>\$ (2,538,277)</u>

NOTE 3 FAIR VALUE MEASUREMENTS

The following table presents the fair value hierarchy for the balances of the assets of the Organization measured at fair value on a recurring basis as of August 31, 2016 and 2015:

	2016			Total
	Level 1	Level 2	Level 3	
Corporate Stocks and Equity Mutual Funds	\$ 62,657,084	\$ -	\$ -	\$ 62,657,084
Corporate Bonds and Bond Mutual Funds	14,571,050	-	-	14,571,050
Pooled Income Funds, Underlying Investments in:				
Cash and Cash Equivalents	-	-	8,057	8,057
Corporate Stocks and Equity Mutual Funds	-	-	61,372	61,372
Corporate Bonds and Bond Mutual Funds	-	-	87,636	87,636
Investment Held by Supporting Organizations:				
Corporate Stocks and Equity Mutual Funds	5,974,567	-	-	5,974,567
Corporate Bonds and Bond Mutual Funds	465,531	-	-	465,531
Interest in Charitable Trusts Held by Others	-	-	4,423	4,423
Total	<u>\$ 83,668,232</u>	<u>\$ -</u>	<u>\$ 161,488</u>	<u>\$ 83,829,720</u>
Alternative Investments Held at NAV				<u>23,686,006</u>
Total				<u>\$ 107,515,726</u>

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

	2015			Total
	Level 1	Level 2	Level 3	
Corporate Stocks and Equity Mutual Funds	\$ 54,618,470	\$ -	\$ -	\$ 54,618,470
Corporate Bonds and Bond Mutual Funds	7,900,536	-	-	7,900,536
Pooled Income Funds, Underlying Investments in:				
Cash and Cash Equivalents	-	-	30,997	30,997
Corporate Stocks and Equity Mutual Funds	-	-	236,126	236,126
Corporate Bonds and Bond Mutual Funds	-	-	337,175	337,175
Investment Held by Supporting Organizations:				
Corporate Stocks and Equity Mutual Funds	4,818,922	-	-	4,818,922
Corporate Bonds and Bond Mutual Funds	844,131	-	-	844,131
Interest in Charitable Trusts Held by Others	-	-	1,610,090	1,610,090
Total	<u>\$ 68,182,059</u>	<u>\$ -</u>	<u>\$ 2,214,388</u>	<u>\$ 70,396,447</u>
Alternative Investments Held at NAV				23,620,857
Total				<u>\$ 94,017,304</u>

In 2015, the Federation adopted ASU No. 2015-07 which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share expedient. This has been applied retrospectively.

Level 3 Assets and Liabilities

The following table provides a summary of changes in fair value of the Organization's Level 3 financial assets for the year ended August 31, 2016:

	Pooled Income Funds	Interest in Charitable Trusts Held by Others	Total
Balances as of September 1, 2015	\$ 604,298	\$ 1,610,090	\$ 2,214,388
Net Realized and Unrealized Gains (Losses)	5,019	-	5,019
Net Investment Income	-	-	-
Change in Value of Split-Interest Agreements	-	(320)	(320)
Purchases of Investments	-	-	-
Sale of Investments	(452,252)	-	(452,252)
Cash Disbursements	-	(1,605,347)	(1,605,347)
Expenses	-	-	-
Balances as of August 31, 2016	<u>\$ 157,065</u>	<u>\$ 4,423</u>	<u>\$ 161,488</u>

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 Assets and Liabilities (Continued)

The following table provides a summary of changes in fair value of the Organization's Level 3 financial assets for the year ended August 31, 2015:

	Pooled Income Funds	Interest in Charitable Trusts Held by Others	Total
Balances as of September 1, 2014	\$ 611,106	\$ 1,613,078	\$ 2,224,184
Net Realized and Unrealized Gains (Losses)	(6,808)	-	(6,808)
Net Investment Income	-	-	-
Change in Value of Split-Interest Agreements	-	(2,988)	(2,988)
Purchases of Investments	-	-	-
Sale of Investments	-	-	-
Cash Disbursements	-	-	-
Expenses	-	-	-
Balances as of August 31, 2015	<u>\$ 604,298</u>	<u>\$ 1,610,090</u>	<u>\$ 2,214,388</u>

In September 2009 guidance was issued under the ASC Topic - Fair Value Measurements and Disclosures which clarified the fair value level classification for entities that calculate net asset value per share or its equivalent. The guidance states that "if a reporting entity has the ability to redeem its investment with the investee at net asset value per share (or its equivalent) at the measurement date, the fair value measurement of the investment shall be categorized as a Level 2 fair value measurement."

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent) as of August 31, 2016:

	Net Asset Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Alternative Investments, Underlying Investments in:				
Private Equity and Hedge Funds	\$ 4,122,534	\$ -	Semi-Annual	95 Days
Private Equity and Hedge Funds	434,092	3,849,309	Not Available*	Not Applicable
Private Equity and Hedge Funds	3,429,938	-	Monthly	30 Days
Private Equity and Hedge Funds	2,793,692	-	Quarterly	30 Days
Corporate Bonds	3,401,717	-	Not Available**	Not Applicable
Corporate Bonds	3,960,704	-	Annual	30 Days
Real Estate	3,604,978	-	Daily	5 Days
Real Estate	671,730	643,100	Not Available**	Not Applicable
Investment Held by Supporting Organizations:				
Alternative Investments	847,400	-	Quarterly	45 Days
Alternative Investments	419,221	46,614	Not Available*	Not Applicable

* Redemption upon the request of the shareholders is not available

** Redemption of the investment is unavailable for two years due to a lockout period

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent) as of August 31, 2015:

	Net Asset Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Alternative Investments, Underlying Investments in:				
Private Equity and Hedge Funds	\$ 4,247,923	\$ -	Semi-Annual	95 Days
Private Equity and Hedge Funds	450,161	22,827	Not Available*	Not Applicable
Private Equity and Hedge Funds	2,944,566	-	Monthly	30 Days
Private Equity and Hedge Funds	3,143,159	-	Quarterly	30 Days
Corporate Bonds	3,563,355	-	Not Available**	Not Applicable
Corporate Bonds	3,970,503	-	Annual	30 Days
Real Estate	3,481,415	-	Daily	5 Days
Real Estate	421,450	945,000	Not Available**	Not Applicable
Investment Held by Supporting Organizations:				
Alternative Investments	940,212	-	Quarterly	45 Days
Alternative Investments	458,113	48,330	Not Available*	Not Applicable

* Redemption upon the request of the shareholders is not available

** Redemption of the investment is unavailable for two years due to a lockout period

Alternative investments with underlying investments in private equity and hedge funds include investments in private equity companies. The fair value of the investment in this category is estimated using the net asset value per share of the investment.

The corporate bond fund attempts to generate stable, predictable returns with relatively low correlation to the broader debt and equity markets. The fund seeks capital appreciation and current income by investing in value-oriented, event-driven debt and equity securities with an emphasis on debt instruments. The fund provides market and type of underlying investments; the Organization values positions using the NAV.

The fair value of alternative investments with underlying investments in international hedge funds is an equity fund and is based on quoted market prices for the underlying securities which comprise the net asset value of the investment.

The fair value of alternative investments with underlying investments in real estate is based on quoted market prices for the underlying real estate which comprise the net asset value of the investment. The funds provide full disclosure of the underlying holdings.

Alternative investments held by supporting organizations include investments in international private equity companies. The fair value of the investment in this category is estimated using the net asset value per share of the investment.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 4 PLEDGES RECEIVABLE, NET

Pledges receivable at August 31, 2016 were received in conjunction with the Annual and Capital campaigns as well as other fundraising activities:

	Annual Campaign and Other	Capital Campaign
Fiscal Year 2017 Annual Campaign and Beyond	\$ 416,371	\$ -
Fiscal Year 2016 Annual Campaign	5,146,858	-
Prior Years Annual Campaign	2,040,491	-
Capital Campaign	-	242,778
Prior Years and Other Pledges Receivable	-	-
Israel Emergency Campaign	-	-
	<u>7,603,720</u>	<u>242,778</u>
Estimated Commitment from JCF	(1,265,800)	-
Allowance for Uncollectible Pledges	(1,350,000)	(242,778)
Pledges Receivable, Net	<u>\$ 4,987,920</u>	<u>\$ -</u>

Annual campaign, Capital campaign and other pledges receivable as of August 31, 2016 are anticipated to be collected as follows:

	Annual Campaign and Other	Capital Campaign
Amounts Due in:		
Less than One Year	\$ 6,273,600	\$ 242,778
One Year to Five Years	64,320	-
	<u>6,337,920</u>	<u>242,778</u>
Allowance for Uncollectible Pledges	(1,350,000)	(242,778)
Pledges Receivable, Net	<u>\$ 4,987,920</u>	<u>\$ -</u>

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 4 PLEDGES RECEIVABLE, NET (CONTINUED)

Pledges receivable at August 31, 2015 were received in conjunction with the Annual and Capital campaigns as well as other fundraising activities:

	Annual Campaign and Other	Capital Campaign
Fiscal Year 2016 Annual Campaign and Beyond	\$ 439,544	\$ -
Fiscal Year 2015 Annual Campaign	5,560,000	-
Prior Years Annual Campaign	2,401,904	-
Other	55,426	-
Capital Campaign	-	614,506
Prior Years and Other Pledges Receivable	-	-
Israel Emergency Campaign	-	-
	<u>8,456,874</u>	<u>614,506</u>
Estimated Commitment from JCF	(1,326,000)	-
Allowance for Uncollectible Pledges	(1,600,000)	(329,588)
Pledges Receivable, Net	<u>\$ 5,530,874</u>	<u>\$ 284,918</u>

Annual campaign, Capital campaign and other pledges receivable as of August 31, 2015 are anticipated to be collected as follows:

	Annual Campaign and Other	Capital Campaign
Amounts Due in:		
Less than One Year	\$ 7,118,474	\$ 614,506
One Year to Five Years	12,400	-
	<u>7,130,874</u>	<u>614,506</u>
Allowance for Uncollectible Pledges	(1,600,000)	(329,588)
Pledges Receivable, Net	<u>\$ 5,530,874</u>	<u>\$ 284,918</u>

The Capital campaign was an endeavor of the Organization to allow the Minneapolis Jewish Community to build and restore the infrastructure of many of its community institutions and to expand the scope of Jewish educational programming. Contributions to the Capital campaign are treated as temporarily restricted contributions, as donors have stipulated that such contributions be restricted for the specific purposes of the Capital campaign.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 5 LOANS RECEIVABLE

Loans receivable consist of the following at August 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Sabes JCC	\$ 2,753,236	\$ 2,573,466
Torah Academy	373,648	396,468
Jewish Family and Children's Service	65,146	91,855
Hillel	78,982	41,474
Sholom Community Alliance	21,215	21,215
Barry Family Campus	15,000	-
Heilicher Minneapolis Jewish Day School	1,147	2,294
Other	1,831	4,349
Total Gross Loans Receivable	<u>3,310,205</u>	<u>3,131,121</u>
Less: Allowance for Uncollectible Amounts	<u>(2,788,173)</u>	<u>(2,788,173)</u>
Net Loans Receivable	<u>\$ 522,032</u>	<u>\$ 342,948</u>

As of August 31, 2016 and 2015, approximately 74% and 78% of the gross loans receivable are considered past due loans.

NOTE 6 SPLIT - INTEREST AGREEMENTS

The Organization has entered into various charitable remainder trusts, gift annuities, and pooled income arrangements with donors.

Charitable remainder trusts, gift annuities, and pooled income arrangements obligate the Organization to make payments to the annuitants and trust recipients for the remainder of their lives. A liability has been recorded equal to the present value of the estimated future obligations.

The various deferred gift obligations have various imputed interest rates. IRS life expectancy tables are utilized to determine life expectancies. Liabilities under split - interest agreements amounted to \$279,824 and \$201,364 at August 31, 2016 and 2015, respectively.

Other revenues and losses under split - interest agreements include gains in the change in value of split-interest agreements of \$44,462 and \$2,858 during the years ended August 31, 2016 and 2015, respectively.

The Organization has pooled income funds, which are administered through an arrangement with the Jewish Foundations of North America. These arrangements provide for investment of donors' life income gifts in a fund combined with the gifts of other donors. Pooled income funds are stated at their fair value as of August 31, 2016 and 2015. Deferred revenue is the difference between the fair value of the pooled income funds and the actuarially determined net present value of these assets. The net present value of pooled income funds is based on the estimated life expectancies of the donors.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 7 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at August 31:

	<u>2016</u>	<u>2015</u>
Land	\$ 846,000	\$ 846,000
Building and Improvements	21,289,847	21,603,862
Furniture and Equipment	<u>356,450</u>	<u>356,450</u>
	22,492,297	22,806,312
Accumulated Depreciation	<u>(9,433,499)</u>	<u>(8,834,556)</u>
Total	<u>\$ 13,058,798</u>	<u>\$ 13,971,756</u>

NOTE 8 LONG-TERM DEBT

In April 2012, the Organization refinanced its note payable with a \$1,550,000 note payable through a bank. The note bears interest at a fixed rate of 3.55%. The balance on the note payable as of August 31, 2016 is \$1,050,000. No further principal payments are required until maturity of the note on April 1, 2017, when the remaining principal balance is due. The loan is secured by a security interest in certain assets of the Federation.

Future scheduled maturities on the note payable are as follows:

<u>Year Ending August 31,</u>	<u>Amount</u>
2017	<u>\$ 1,050,000</u>
Total	<u>\$ 1,050,000</u>

During 2016, the Organization signed an agreement to guarantee the debt of a non-related entity in the amount of \$300,000.

NOTE 9 LINES OF CREDIT

At August 31, 2016, the Organization has a \$3,000,000 line of credit available with interest at 1.75% above the 30-day LIBOR (London Interbank Offered Rate) with a maturity date of March 29, 2017. The rate was 2.27% at August 31, 2016. The line of credit is secured by certain assets of the Organization. The balance on this line was \$356,745 and \$-0- at August 31, 2016 and 2015, respectively.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 10 RETIREMENT PLANS

The Organization maintains a defined contribution plan for essentially all employees of the Organization. The Organization made contributions of \$38,210 in the year ended August 31, 2016 and \$31,282 in the year ended August 31, 2015.

The Organization established a 457b deferred compensation plan for one of its employees with an effective date of January 1, 2011. Under the plan, deferred compensation contributions and investment earnings less fees and expenses are held for the participant until paid according to the provisions of the plan. The Organization made contributions of \$-0- in the years ended August 31, 2016 and 2015. The investment balanced related to the plan as of August 31, 2016 and 2015 was \$35,855 and \$47,808, respectively.

The Organization also has a deferred compensation agreement with one of its former employees. At August 31, 2016 and 2015, approximately \$300,000 was vested under the agreement. Vested amounts will be paid in ten annual equal installments beginning 60 days prior to the employee's 65th birthday. The liability recorded related to this agreement was \$155,000 and \$146,000 at August 31, 2016 and 2015, respectively.

During 2016, the Organization established a 457b deferred compensation plan with one of its former employees. The investment balance related to the plan as of August 31, 2016 was \$7,500.

NOTE 11 ALLOCATIONS PAYABLE

The Organization has commitments to fund beneficiary organizations and the Jewish Federations of North America in the amount of \$7,074,214 and \$7,120,958 as of August 31, 2016 and 2015, respectively. Such amounts are reported as allocations payable in the consolidated financial statements. The board of directors, following the conclusion of the annual fundraising campaign, approves these amounts.

Allocations to fund beneficiary organizations and the Jewish Federations of North America are included in the following liability categories on the consolidated statement of financial position as of August 31, 2016 and 2015:

	2016	2015
Beneficiary Organizations	\$ 3,814,017	\$ 3,709,941
Jewish Federations of North America	3,260,197	3,411,017
Total	<u>\$ 7,074,214</u>	<u>\$ 7,120,958</u>

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 12 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods at August 31, 2016 and 2015:

	2016	2015
Capital Campaign	\$ 2,653	\$ 927,893
Jewish Community Foundation, Donor-Designated		
Amounts	2,401,226	10,091,412
Following Year Campaign	438,650	471,824
Building	105,860	105,860
Designated Gifts	142,080	36,500
Total Temporarily Restricted Net Assets	<u>\$ 3,090,469</u>	<u>\$ 11,633,489</u>

The Capital campaign raised funds for a wide range of projects within the Jewish community. Donors contribute to the Organization in support of the overall community effort; the Organization is responsible for projects underwritten by the Capital campaign.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or through the passage of time.

NOTE 13 PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are restricted to investment in perpetuity. Income earned on these assets is expended according to donor stipulations. Permanently restricted net asset balances and the purposes the income is expendable to support as of August 31, 2016 and 2015 are as follows:

	2016	2015
Designated for Specific Purposes by Donors	\$ 53,289	\$ 52,925
General Purposes of the Organization	4,291,468	4,291,607
Total Permanently Restricted Net Assets	<u>\$ 4,344,757</u>	<u>\$ 4,344,532</u>

NOTE 14 RELATED PARTIES

The Organization serves as the central planning, budgeting and fundraising organization for the Jewish community. To the extent that there may be overlapping directorates between the Organization and other charitable organizations that it funds, related party relationships may exist between the Organization and these beneficiary organizations. The Organization has adopted a conflict of interest policy for its board of directors and staff members. In certain cases, members of the board may also serve on the boards or participate in the management of entities that provide services to the Organization.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 14 RELATED PARTIES (CONTINUED)

Many members of the Organization's Board of Directors and staff make contributions to the Organization. These amounted to \$227,000 and \$230,500 for the years ended August 31, 2016 and 2015, respectively. Pledges receivable at August 31, 2016 and 2015 include \$451,000 and \$561,000, respectively, due from members of the board of directors and staff. Approximately 84% of the pledge receivable at August 31, 2016 related to the 2015, 2016 and 2017 campaigns.

NOTE 15 SIGNIFICANT CONCENTRATION OF CREDIT RISK

As of August 31, 2016 and 2015 approximately 13%, of the Organization's pledges receivable balance is from one donor. As of August 31, 2016 approximately 100% of the Organization's estate receivables were from one organization. Estate receivables as of August 31, 2015 were from three organizations.

As of August 31, 2016 approximately 11% of contribution revenue was from one estate gift. As of August 31, 2015, approximately 39% of contribution revenue was from two estate gifts.

NOTE 16 BARRY FAMILY CAMPUS

Ground Lease

The JCBC entered into a lease, commencing August 30, 2002, with the Sabes JCC to lease the land for a period of 99 years at \$1 per year. The JCBC transferred management and all associated costs to the Barry Family Campus (the Campus) in 2007. The lease qualifies for treatment as a capital lease by the Organization; however, no amounts are recorded on the consolidated statement of financial position to reflect the fair value of the leased property because the Organization derives no financial benefit under the lease.

Sublease

As part of the Organization's Capital campaign, the JCBC made substantial improvements to the Campus. These improvements are included in property and equipment on the consolidated statement of financial position of the Organization.

The JCBC also entered into three subleases, commencing September 1, 2002, with the three primary tenants of the Campus (including the Sabes JCC). The subleases are for a period of 25 years at \$1 per year and automatically renew for an additional year at the end of each year. Under the subleases, the tenants are to reimburse the Barry Family Campus for their pro-rata share of the maintenance and utility costs of the Campus. The Barry Family Campus records the reimbursement of maintenance and utility costs for the building as an offset to expense in the consolidated statement of activities. The rental payments under the subleases of \$1 have been determined by the Organization to be below fair value.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2016 AND 2015

NOTE 16 BARRY FAMILY CAMPUS (CONTINUED)

Sublease (Continued)

Consequently, the JCBC has recorded a contribution made to the tenants of the Campus for the estimated fair value of the rent over the term of the subleases. The Organization has used depreciation expense attributable to the improvements made by the Organization to the Campus over the term of the subleases as its estimate of fair value.

NOTE 17 ENDOWMENT

In August 2008, accounting guidance was issued that provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). The guidance also expands disclosures about an organization's endowment funds (both donor restricted and board designated endowment funds) whether or not the organization is subject to UPMIFA. The Organization has adopted this accounting guidance.

Since December 22, 1980, there has been in effect a Policy Statement adopted by the Organization's Board of Directors. Under the terms of the Policy Statement, the board of directors has the power to modify or eliminate any donor-imposed condition, limitation or restriction on any contribution if one or more of the conditions, limitations or restrictions become impracticable or impossible to fulfill. This power is referred to as the "variance power." Because the variance power allows the board of directors to eliminate donor-imposed time restrictions under certain limited circumstances, most of the Organization's funds that are administered as endowment funds are not endowment funds within the meaning of UPMIFA.

Permanently restricted net assets represent the portion of each gift that the Organization has concluded must be retained permanently in accordance with explicit donor stipulations or, in the absence of such stipulations, must be retained permanently consistent with the relevant law. Donor-restricted endowment funds are not classified as permanently restricted assets if the Organization has determined that the variance power applies to the funds.

Temporarily restricted net assets consist of irrevocable charitable trusts, purpose restricted contributions, restricted contributions receivable, and the portion of donor-restricted endowment funds that is not classified as permanently restricted net assets. When donor restrictions expire, that is, when a stipulated time restriction ends or a purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restriction.

Unrestricted net assets represent that portion of expendable funds that is available for support of the programs and operations of the Foundation.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
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AUGUST 31, 2016 AND 2015

NOTE 17 ENDOWMENT (CONTINUED)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the historic dollar value of such fund. The amounts by which the endowment funds have fallen below such recorded values were approximately \$-0- as of August 31, 2016 and 2015. These differences resulted from unfavorable market fluctuations that occurred after the investment of new contributions to the endowment funds and continued appropriation for certain programs that were deemed prudent by the board of directors. These differences are reported in unrestricted net assets.

Return Objectives and Risk Parameters

The Organization offers donors a choice of three investment pools: the Conservative Investment Pool, the Balanced Investment Pool, and the Long-Term Investment Pool. The Conservative Pool seeks a modest degree of income by investing primarily in a combination of short to intermediate term bond funds. The primary objective is for the preservation of principal. The Balanced Investment Pool seeks to provide sufficient returns to meet the distribution policy by investing in a mix of stocks and bonds. This pool is most appropriate for funds that make modest distributions each year, but intend to leave the majority of the fund balance untouched over a 3- to 7-year period. The Long-Term Investment Pool seeks to provide for real growth by producing returns that provide a 1% growth premium above the distribution policy. This pool is most appropriate for funds that distribute a small proportion of the fund balance each year or will make no distributions for a number of years before beginning to make allocations.

Strategies for Achieving Objectives

The Organization believes the achievement of investment returns should be viewed in a long-term context. Investments are made to balance the goals of achieving desirable long-term results while maintaining the liquidity necessary to meet donor-advised distribution requests based upon the general governing philosophy of (a) achieving long-term growth of assets while preserving capital, (b) targeting investment strategies which demonstrate the ability to generate consistent long-term results and (c) earning the highest total return that is prudently possible consistent with the risk tolerance deemed appropriate.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization's general practice is to distribute up to 5% each calendar year of the market value of its endowment fund, provided such a distribution does not reduce the value of the fund below the permanently restricted amount. This is consistent with Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity, or for a specified term, as well as to provide additional real growth through new gifts and investment return.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
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AUGUST 31, 2016 AND 2015

NOTE 17 ENDOWMENT (CONTINUED)

Spending Policy and How the Investment Objectives Relate to Spending Policy (Continued)

The following is a summary of endowment funds subject to Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) for the years ended August 31, 2016 and 2015:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets September 1, 2015	\$ -	\$ 1,127,382	\$ 4,344,532	\$ 5,471,914
Investment Income	-	34,431	-	34,431
Net Realized and Unrealized Loss on Investments	-	153,547	-	153,547
Contributions	-	-	225	225
Appropriations of Endowment				
Assets for Expenditure	-	(3,954)	-	(3,954)
Endowment Net Assets August 31, 2016	<u>\$ -</u>	<u>\$ 1,311,406</u>	<u>\$ 4,344,757</u>	<u>\$ 5,656,163</u>
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets September 1, 2014	\$ -	\$ 1,626,780	\$ 4,344,232	\$ 5,971,012
Investment Income	-	37,852	-	37,852
Net Realized and Unrealized Gain on Investments	-	(279,475)	-	(279,475)
Contributions	-	-	300	300
Appropriations of Endowment				
Assets for Expenditure	-	(257,775)	-	(257,775)
Endowment Net Assets August 31, 2015	<u>\$ -</u>	<u>\$ 1,127,382</u>	<u>\$ 4,344,532</u>	<u>\$ 5,471,914</u>

NOTE 18 CONTINGENCY

On April 19, 2016, the Melvin S. Cohen Trust F/B/O Minneapolis Federation for Jewish Service (Trust) brought a lawsuit against the Minneapolis Jewish Federation in Wisconsin state court, Eau Claire County. The lawsuit sought declaratory relief to modify the Cohen Trust to remove the Federation as the beneficiary and supported organization of the Trust, and to transfer 2015 distributions held by the Federation, and future distributions from the Trust, to third parties Donor Trust, Inc. and the National Community Foundation. The Federation denied the allegations of the Complaint, removed the lawsuit to federal court, venued in the Western District of Wisconsin (Madison, Wisconsin), and asserted several counterclaims against the Trust and its Trustees, including claims for breach of fiduciary duty. Thereafter the Trust and the Trustees each filed a response to the Counterclaims, the case was re-captioned to remove the Trust as a party, and the Trustees submitted an Amended Complaint asserted on behalf of the Trustees, which the Federation answered. The case is presently in the discovery phase, with trial scheduled for October 16, 2017.

The 2015 distribution held by the Minneapolis Jewish Federation amounted to \$2,425,000. In view of the pending litigation, the Minneapolis Jewish Federation considers this distribution to be contingent upon the outcome of the litigation, and, as such, has not recorded this distribution in its revenues for the year ended August 31, 2016. The distribution is carried on the balance sheet as Distributions Held for Others.

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
CONSOLIDATING SCHEDULE FOR THE STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2016
(SEE INDEPENDENT AUDITOR'S REPORT)

ASSETS	Federation (Including JCF)	JCBC	Supporting Organizations	Eliminations	Consolidated
Cash and Cash Equivalents	\$ 3,180,704	\$ 523,218	\$ -	\$ -	\$ 3,703,922
Investments	104,036,777	-	12,695,770	-	116,732,547
Land Held for Sale	967,288	-	-	-	967,288
Due from Related Parties	945,682	-	-	(945,682)	-
Pledges Receivable, Net:					
Annual Campaign	4,987,920	-	-	-	4,987,920
Capital Campaign	-	-	-	-	-
Other	21,171	-	-	-	21,171
Loans Receivable, Net	408,492	113,540	-	-	522,032
Estate Receivables	1,076,000	-	-	-	1,076,000
Split-Interest Agreements:					
Investments Held in Charitable Trusts	337,678	-	-	-	337,678
Interest in Charitable Trusts Held by Others	4,423	-	-	-	4,423
Pooled Income Funds	157,065	-	-	-	157,065
Receivable from Termed Charitable Trust	-	-	-	-	-
Property and Equipment, Net of Accumulated Depreciation	32,321	13,026,477	-	-	13,058,798
Other Assets	443,403	10,398	-	-	453,801
Total Assets	\$ 116,598,924	\$ 13,673,633	\$ 12,695,770	\$ (945,682)	\$ 142,022,645
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts Payable and Accrued Expenses	\$ 276,647	\$ 15,614	\$ -	\$ -	\$ 292,261
Debt	-	1,050,000	-	-	1,050,000
Line of Credit	356,745	-	-	-	356,745
Allocations and Contributions Payable:					
Beneficiary Organizations	3,814,017	-	-	-	3,814,017
Jewish Federations of North America	3,260,197	-	-	-	3,260,197
Other Allocations Payable	2,425,000	-	-	-	2,425,000
Distribution Held for Others	-	10,123,475	-	-	10,123,475
Due to Related Parties	-	945,682	-	(945,682)	-
Agency Funds Payable	24,142,812	-	-	-	24,142,812
Other Liabilities	478,100	197,117	-	-	675,217
Deferred Income under Pooled Income Agreements	76,789	-	-	-	76,789
Obligations under Split-Interest Agreements	279,824	-	-	-	279,824
Total Liabilities	35,110,131	12,331,888	-	(945,682)	46,496,337
Net Assets:					
Unrestricted	74,159,427	1,235,885	12,695,770	-	88,091,082
Temporarily Restricted	2,984,609	105,860	-	-	3,090,469
Permanently Restricted	4,344,757	-	-	-	4,344,757
Total Net Assets	81,488,793	1,341,745	12,695,770	-	95,526,308
Total Liabilities and Net Assets	\$ 116,598,924	\$ 13,673,633	\$ 12,695,770	\$ (945,682)	\$ 142,022,645

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
CONSOLIDATING SCHEDULE FOR THE STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2015
(SEE INDEPENDENT AUDITORS' REPORT)

ASSETS	Federation (Including JCF)	JCBC	Supporting Organizations	Eliminations	Consolidated
Cash and Cash Equivalents	\$ 1,806,924	\$ 431,986	\$ -	\$ -	\$ 2,238,910
Investments	90,998,623	-	11,900,248	-	102,898,871
Land Held for Sale	967,288	-	-	-	967,288
Due from Related Parties	1,240,894	-	-	(1,240,894)	-
Pledges Receivable, Net:					
Annual Campaign	5,530,874	-	-	-	5,530,874
Capital Campaign	284,918	-	-	-	284,918
Loans Receivable, Net	208,006	134,942	-	-	342,948
Estate Receivables	7,352,942	-	-	-	7,352,942
Split-Interest Agreements:					
Investments Held in Charitable Trusts	199,920	-	-	-	199,920
Interest in Charitable Trusts Held by Others	4,743	-	-	-	4,743
Pooled Income Funds	604,298	-	-	-	604,298
Receivable from Termed Charitable Trust	1,605,347	-	-	-	1,605,347
Property and Equipment, Net of Accumulated Depreciation	61,627	13,910,129	-	-	13,971,756
Other Assets	449,966	10,340	-	-	460,306
Total Assets	\$ 111,316,370	\$ 14,487,397	\$ 11,900,248	\$ (1,240,894)	\$ 136,463,121
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts Payable and Accrued Expenses	\$ 358,452	\$ 28,252	\$ -	\$ -	\$ 386,704
Debt	-	1,050,000	-	-	1,050,000
Allocations and Contributions Payable:					
Beneficiary Organizations	3,709,941	-	-	-	3,709,941
Jewish Federations of North America	3,411,017	-	-	-	3,411,017
Leases at Below Market Rates	-	10,123,475	-	-	10,123,475
Due to Related Parties	-	1,240,894	-	(1,240,894)	-
Agency Funds Payable	22,553,876	-	-	-	22,553,876
Other Liabilities	649,182	189,081	-	-	838,263
Deferred Income under Pooled Income Agreements	186,004	-	-	-	186,004
Obligations under Split-Interest Agreements	201,364	-	-	-	201,364
Total Liabilities	31,069,836	12,631,702	-	(1,240,894)	42,460,644
Net Assets:					
Unrestricted	64,374,373	1,749,835	11,900,248	-	78,024,456
Temporarily Restricted	11,527,629	105,860	-	-	11,633,489
Permanently Restricted	4,344,532	-	-	-	4,344,532
Total Net Assets	80,246,534	1,855,695	11,900,248	-	94,002,477
Total Liabilities and Net Assets	\$ 111,316,370	\$ 14,487,397	\$ 11,900,248	\$ (1,240,894)	\$ 136,463,121

MINNEAPOLIS JEWISH FEDERATION AND SUBSIDIARIES
CONSOLIDATING SCHEDULE FOR THE STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2016
(SEE INDEPENDENT AUDITORS' REPORT)

	Federation (Including JCF)			JCBC	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted
PUBLIC SUPPORT AND REVENUES					
Campaigns, Contributions and Other	\$ 11,872,952	637,261	\$ 225	\$ -	\$ -
Revenues:					
Interest and Dividends	1,071,250	34,431	-	-	-
Net Realized Gain on Investments	630,451	86,967	-	-	-
Net Unrealized Gain (Loss) on Investments	1,034,748	66,580	-	-	-
Change in Value of Split-Interest Agreements	44,782	(320)	-	-	-
Rental Income	-	-	-	834,091	-
Gain on Sale of Assets	-	-	-	60,141	-
Other	596,955	-	-	37,300	-
Total Revenues	3,378,186	187,658	-	931,532	-
Net Assets Released from Restrictions	9,367,939	(9,367,939)	-	-	-
Total Public Support and Revenues	24,619,077	(8,543,020)	225	931,532	-
EXPENSES					
Program Services:					
Campaign Allocations:					
Annual Campaign	6,465,699	-	-	-	-
Contribution for Leases at Below-Market Rates	-	-	-	421,811	-
Community Services	1,850,180	-	-	371,211	-
Other Grants and Contributions	3,741,997	-	-	-	-
Total Program Services	12,057,876	-	-	793,022	-
Supporting Services:					
Management and General:					
Administrative Expense	1,098,589	-	-	-	-
Building Administration	93,913	-	-	617,774	-
Interest Expense	3,789	-	-	34,686	-
Provision for Uncollectible Pledges and Loans	(9,010)	-	-	-	-
Fundraising	1,588,866	-	-	-	-
Total Supporting Services	2,776,147	-	-	652,460	-
Total Expenses	14,834,023	-	-	1,445,482	-
CHANGE IN NET ASSETS (DEFICIT)	9,785,054	(8,543,020)	225	(513,950)	-
Net Assets - Beginning of Year	64,374,373	11,527,629	4,344,532	1,749,835	105,860
NET ASSETS - END OF YEAR	\$ 74,159,427	\$ 2,984,609	\$ 4,344,757	\$ 1,235,885	\$ 105,860

Supporting Organizations		Consolidated Federation		
Unrestricted	Eliminations	Unrestricted	Temporarily Restricted	Permanently Restricted
\$ 2,254,388	\$ (262,000)	\$ 13,865,340	\$ 637,261	\$ 225
303,066	-	1,374,316	34,431	-
541,927	-	1,172,378	86,967	-
(471,489)	-	563,259	66,580	-
-	-	44,782	(320)	-
-	(93,913)	740,178	-	-
-	-	60,141	-	-
-	(37,300)	596,955	-	-
373,504	(131,213)	4,552,009	187,658	-
-	-	9,367,939	(9,367,939)	-
2,627,892	(393,213)	27,785,288	(8,543,020)	225
-	(37,300)	6,428,399	-	-
-	-	421,811	-	-
-	-	2,221,391	-	-
1,811,144	(262,000)	5,291,141	-	-
1,811,144	(299,300)	14,362,742	-	-
21,226	-	1,119,815	-	-
-	(93,913)	617,774	-	-
-	-	38,475	-	-
-	-	(9,010)	-	-
-	-	1,588,866	-	-
21,226	(93,913)	3,355,920	-	-
1,832,370	(393,213)	17,718,662	-	-
795,522	-	10,066,626	(8,543,020)	225
11,900,248	-	78,024,456	11,633,489	4,344,532
\$ 12,695,770	\$ -	\$ 88,091,082	\$ 3,090,469	\$ 4,344,757

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YEAR ENDED AUGUST 31, 2015
(SEE INDEPENDENT AUDITORS' REPORT)

	Federation (Including JCF)			JCBC	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted
PUBLIC SUPPORT AND REVENUES					
Campaigns, Contributions and Other	\$ 15,100,056	\$ 8,167,986	\$ 300	\$ -	\$ -
Revenues:					
Interest and Dividends	1,069,915	37,852	-	-	-
Net Realized Gain on Investments	537,457	50,439	-	-	-
Net Unrealized Loss on Investments	(3,566,308)	(329,914)	-	-	-
Change in Value of Split-Interest Agreements	5,846	(2,988)	-	-	-
Rental Income	-	-	-	798,651	-
Other	260,347	-	-	37,300	-
Total Revenues	<u>(1,692,743)</u>	<u>(244,611)</u>	<u>-</u>	<u>835,951</u>	<u>-</u>
Net Assets Released from Restrictions	916,124	(916,124)	-	-	-
Total Public Support and Revenues	<u>14,323,437</u>	<u>7,007,251</u>	<u>300</u>	<u>835,951</u>	<u>-</u>
EXPENSES					
Program Services:					
Campaign Allocations:					
Annual Campaign	6,436,692	-	-	-	-
Contribution for Leases at Below-Market Rates	-	-	-	421,811	-
Community Services	1,030,015	-	-	325,822	-
Other Grants and Contributions	4,311,293	-	-	-	-
Total Program Services	<u>11,778,000</u>	<u>-</u>	<u>-</u>	<u>747,633</u>	<u>-</u>
Supporting Services:					
Management and General:					
Administrative Expense	1,031,885	-	-	-	-
Building Administration	87,698	-	-	595,057	-
Interest Expense	4,856	-	-	37,793	-
Provision for Uncollectible Pledges and Loans	69,415	-	-	-	-
Fundraising	1,293,646	-	-	-	-
Total Supporting Services	<u>2,487,500</u>	<u>-</u>	<u>-</u>	<u>632,850</u>	<u>-</u>
Total Expenses	<u>14,265,500</u>	<u>-</u>	<u>-</u>	<u>1,380,483</u>	<u>-</u>
CHANGE IN NET ASSETS (DEFICIT)	57,937	7,007,251	300	(544,532)	-
Net Assets - Beginning of Year	<u>64,316,436</u>	<u>4,520,378</u>	<u>4,344,232</u>	<u>2,294,367</u>	<u>105,860</u>
NET ASSETS - END OF YEAR	<u>\$ 64,374,373</u>	<u>\$ 11,527,629</u>	<u>\$ 4,344,532</u>	<u>\$ 1,749,835</u>	<u>\$ 105,860</u>

Supporting Organizations		Consolidated Federation		
Unrestricted	Eliminations	Unrestricted	Temporarily Restricted	Permanently Restricted
\$ -	\$ (233,427)	\$ 14,866,629	\$ 8,167,986	\$ 300
48,710	-	1,118,625	37,852	-
662,323	-	1,199,780	50,439	-
(1,048,751)	-	(4,615,059)	(329,914)	-
-	-	5,846	(2,988)	-
-	(87,698)	710,953	-	-
-	(37,300)	260,347	-	-
(337,718)	(124,998)	(1,319,508)	(244,611)	-
-	-	916,124	(916,124)	-
(337,718)	(358,425)	14,463,245	7,007,251	300
-	(37,300)	6,399,392	-	-
-	-	421,811	-	-
-	-	1,355,837	-	-
1,303,277	(233,427)	5,381,143	-	-
1,303,277	(270,727)	13,558,183	-	-
31,241	-	1,063,126	-	-
-	(87,698)	595,057	-	-
-	-	42,649	-	-
-	-	69,415	-	-
-	-	1,293,646	-	-
31,241	(87,698)	3,063,893	-	-
1,334,518	(358,425)	16,622,076	-	-
(1,672,236)	-	(2,158,831)	7,007,251	300
13,572,484	-	80,183,287	4,626,238	4,344,232
<u>\$ 11,900,248</u>	<u>\$ -</u>	<u>\$ 78,024,456</u>	<u>\$ 11,633,489</u>	<u>\$ 4,344,532</u>