

JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
YEARS ENDED DECEMBER 31, 2014 AND 2013

**JEWISH FEDERATION OF ST. LOUIS
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

INDEPENDENT AUDITORS' REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENTS OF ACTIVITIES	4
CONSOLIDATED STATEMENTS OF CASH FLOWS	6
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	7
SUPPLEMENTAL INFORMATION	
APPROPRIATIONS TO BENEFICIARY AND OTHER AGENCIES	30
SCHEDULES OF FUNCTIONAL EXPENSE	31
SCHEDULES OF PROGRAM EXPENSES	32
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION	33
CONSOLIDATING SCHEDULE OF ACTIVITIES	34

INDEPENDENT AUDITORS' REPORT

Board of Directors
Jewish Federation of St. Louis
St. Louis, Missouri

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the Jewish Federation of St. Louis (a Missouri not-for-profit corporation) and subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated 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 Jewish Federation of St. Louis and subsidiaries as of December 31, 2014 and 2013, 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 supplementary information on pages 30 through 34 is presented for purposes of additional analysis of the consolidated financial statements and is not a required part of the consolidated financial statements. In addition, the supplementary consolidating information on pages 33 and 34 is presented for additional analysis of the consolidated financial statements rather than present the financial position, changes in net assets and cash flows of the individual organizations. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



CliftonLarsonAllen LLP

St. Louis, Missouri
August 3, 2015

JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

	2014	2013
ASSETS		
Cash and Cash Equivalents	\$ 5,921,379	\$ 1,456,126
Receivables:		
Campaign Pledges, Net of Allowance (Note 2)	1,772,972	1,873,808
Beneficiary Agencies, Net of Allowance	16,436	224,746
Accrued Interest	58,961	73,436
Other	257,097	190,293
Prepaid Expenses	274,022	98,807
Building and Equipment, Net (Note 4 and 5)	2,739,963	2,997,037
Notes Receivable (Note 6)	14,113,136	22,381,467
Contributions Receivable, Net (Note 3)	4,180,290	4,079,788
Long-Term Investments (Note 7)	134,833,845	138,764,178
	\$ 164,168,101	\$ 172,139,686
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable:		
Beneficiary Agencies	\$ 2,434,564	\$ 2,174,505
The Jewish Federations of North America	798,577	443,830
Other Campaigns	23,054	34,054
Other	195,025	320,558
Grants Payable (Note 8)	1,274,979	366,321
Accrued Expense	452,661	507,188
Accrued Pension Obligation (Note 13)	2,713,595	1,736,341
Obligations to Beneficiaries Under Split-Interest Agreements (Note 9)	2,309,680	2,593,889
Line of Credit (Note 10)	903,698	1,130,567
Note Payable (Note 11)	13,968,594	21,699,613
Funds Held in Custody for Others (Note 12):		
Pooled Investments	16,435,939	15,573,894
Split-Interest Agreements (Note 9)	383,201	385,627
Passport to Israel	688,519	737,581
Other	915,173	891,674
Total Liabilities	43,497,259	48,595,642
NET ASSETS		
Unrestricted:		
Undesignated:		
Net Investment in Building and Equipment	2,739,963	2,997,037
Undesignated	(7,280,470)	(5,443,110)
Board-Controlled Endowments and Other:		
Philanthropic Funds	6,282,392	6,949,712
Board Designated as Endowment	9,251,259	9,762,478
Board Designated as Future Use	29,976,354	29,935,747
Other	34,324,093	32,834,355
Total Unrestricted	75,293,591	77,036,219
Restricted:		
Temporarily (Note 17)	22,802,283	24,915,002
Permanently (Note 16)	22,574,968	21,592,823
Total Net Assets	120,670,842	123,544,044
Total Liabilities and Net Assets	\$ 164,168,101	\$ 172,139,686

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014**

	Unrestricted			Restricted		
	General Operating	Board-Controlled Endowments and Other	Total	Temporarily	Permanently	Total
REVENUES, GAINS, AND OTHER SUPPORT						
Pledges:						
Regular Campaign:						
Pledges Received in the Current Year	\$ 8,833,446	\$ -	\$ 8,833,446	\$ -	\$ -	\$ 8,833,446
Pledges Received in the Prior Year	449,486	-	449,486	(449,486)	-	-
Pledges Restricted for Subsequent Year	-	-	-	455,103	-	455,103
Total Regular Campaign	9,282,932	-	9,282,932	5,617	-	9,288,549
Annual Campaign: Designated	-	-	-	204,100	-	204,100
Other Campaigns	597,560	-	597,560	-	-	597,560
Friends of Holocaust Campaign	190,390	-	190,390	-	-	190,390
Friends of the Saul Brodsky Library Campaign	32,632	-	32,632	-	-	32,632
Less: Amounts Derived from Board-Controlled Funds	(400,619)	(1,923,358)	(2,323,977)	-	-	(2,323,977)
Net Campaigns	9,702,895	(1,923,358)	7,779,537	209,717	-	7,989,254
Contributions, Bequests and Gifts	327,066	5,713,133	6,040,199	356,982	982,145	7,379,326
Government Grants	77,148	-	77,148	668	-	77,816
United Way of Greater St. Louis, Inc.	180,475	-	180,475	-	-	180,475
Other Grants	56,000	-	56,000	19,775	-	75,775
Services to Beneficiary Agencies	245,120	-	245,120	-	-	245,120
Other Income	244,937	-	244,937	-	-	244,937
Investment Income	157,673	2,414,967	2,572,640	663,061	-	3,235,701
Net Gain (Loss) on Investments	1,724	(403,379)	(401,655)	(79,206)	-	(480,861)
Change in Value of Split-Interest Agreements	-	-	-	(39,890)	-	(39,890)
Net Assets Released from Restrictions:						
Program	2,337,922	1,300	2,339,222	(2,339,222)	-	-
Other	1,011,142	-	1,011,142	(1,011,142)	-	-
Reclassification from Board and Donor Restricted Endowments, Net	1,798,367	(1,904,905)	(106,538)	106,538	-	-
Total Revenues, Gains, and Other Support	16,140,469	3,897,758	20,038,227	(2,112,719)	982,145	18,907,653
APPROPRIATIONS AND EXPENSES						
ALLOCATIONS						
Unrestricted:						
Local Agencies	3,153,508	-	3,153,508	-	-	3,153,508
Israel and Overseas	2,092,721	-	2,092,721	-	-	2,092,721
National Agencies	116,451	-	116,451	-	-	116,451
Strategic Program Grants:						
Ensuring the Jewish Future	953,310	-	953,310	-	-	953,310
Caring for Jews in Need - Domestic	484,237	-	484,237	-	-	484,237
Caring for Jews in Need - Overseas	495,225	-	495,225	-	-	495,225
Community Engagement	128,450	-	128,450	-	-	128,450
Jewish Federation of North America - Dues	358,534	-	358,534	-	-	358,534
Reserve Fund	19,374	-	19,374	-	-	19,374
Endowment and Foundation Distributions:						
Beneficiary and Other Local Agencies	1,201,721	2,065,459	3,267,180	-	-	3,267,180
National Agencies	6,100	116,978	123,078	-	-	123,078
Distributions to Charitable Organizations	60,365	1,319,378	1,379,743	-	-	1,379,743
Other Campaigns	473,740	-	473,740	-	-	473,740
Total Appropriations	9,543,736	3,501,815	13,045,551	-	-	13,045,551
EXPENSES						
Program	595,730	-	595,730	-	-	595,730
Holocaust Museum/Community Library	868,033	-	868,033	-	-	868,033
Operating:						
Planning and Allocations	1,090,361	-	1,090,361	-	-	1,090,361
Community Development	56,570	-	56,570	-	-	56,570
Marketing and Communications	798,369	-	798,369	-	-	798,369
Philanthropy	2,178,784	-	2,178,784	-	-	2,178,784
Management and General	1,847,306	44,137	1,891,443	-	-	1,891,443
Building Operations	371,936	-	371,936	-	-	371,936
Total Expenses	7,807,089	44,137	7,851,226	-	-	7,851,226
Total Appropriations and Expenses	17,350,825	3,545,952	20,896,777	-	-	20,896,777
Changes in Net Assets Before Pension Changes	(1,210,356)	351,806	(858,550)	(2,112,719)	982,145	(1,989,124)
Pension Related Change Other than						
Net Periodic Cost, Net Gain (Loss) (Note 13)	(884,078)	-	(884,078)	-	-	(884,078)
Changes in Net Assets	(2,094,434)	351,806	(1,742,628)	(2,112,719)	982,145	(2,873,202)
Net Assets at Beginning of Year	(2,446,073)	79,482,292	77,036,219	24,915,002	21,592,823	123,544,044
Net Assets at End of Year	\$ (4,540,507)	\$ 79,834,098	\$ 75,293,591	\$ 22,802,283	\$ 22,574,968	\$ 120,670,842

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013**

	Unrestricted			Restricted		
	General Operating	Board-Controlled Endowments and Other	Total	Temporarily	Permanently	Total
REVENUES, GAINS, AND OTHER SUPPORT						
Pledges:						
Regular Campaign:						
Pledges Received in the Current Year	\$ 8,403,119	\$ -	\$ 8,403,119	\$ -	\$ -	\$ 8,403,119
Pledges Restricted for Subsequent Year	-	-	-	449,486	-	449,486
Pledges Received in the Prior Year	862,239	-	862,239	(862,239)	-	-
Total Regular Campaign	9,265,358	-	9,265,358	(412,753)	-	8,852,605
Annual Campaign: Designated	-	-	-	807,292	-	807,292
Other Campaigns	1,000	-	1,000	2,702	-	3,702
Friends of Holocaust Campaign	275,813	-	275,813	-	-	275,813
Friends of the Saul Brodsky Library Campaign	31,695	-	31,695	-	-	31,695
Less: Amounts Derived from Board-Controlled Funds	(686,807)	(1,186,112)	(1,872,919)	-	-	(1,872,919)
Net Campaigns	8,887,059	(1,186,112)	7,700,947	397,241	-	8,098,188
Contributions, Bequests and Gifts	161,475	7,061,313	7,222,788	341,698	1,670,457	9,234,943
Government Grants	107,819	-	107,819	6,009	-	113,828
United Way of Greater St. Louis, Inc.	179,475	-	179,475	-	-	179,475
Other Grants	105,375	-	105,375	47,427	-	152,802
Services to Beneficiary Agencies	244,711	-	244,711	-	-	244,711
Other Income	152,921	-	152,921	-	-	152,921
Investment Income	144,605	2,112,182	2,256,787	608,591	-	2,865,378
Net Gain on Investments	2,257	4,565,034	4,567,291	3,692,234	-	8,259,525
Change in Value of Split-Interest Agreements	-	-	-	102,337	-	102,337
Net Assets Released from Restrictions:						
Program	1,613,096	(743)	1,612,353	(1,612,353)	-	-
Other	911,897	-	911,897	(911,897)	-	-
Reclassification from Board and Donor Restricted Endowments, Net	2,275,321	(2,411,936)	(136,615)	136,615	-	-
Total Revenues, Gains, and Other Support	14,786,011	10,139,738	24,925,749	2,807,902	1,670,457	29,404,108
APPROPRIATIONS AND EXPENSES						
ALLOCATIONS						
Unrestricted:						
Local Agencies	3,200,327	-	3,200,327	-	-	3,200,327
Israel and Overseas	2,092,721	-	2,092,721	-	-	2,092,721
National Agencies	116,950	-	116,950	-	-	116,950
Strategic Program Grants:						
Ensuring the Jewish Future	752,145	-	752,145	-	-	752,145
Caring for Jews in Need - Domestic	394,686	-	394,686	-	-	394,686
Caring for Jews in Need - Overseas	511,780	-	511,780	-	-	511,780
Community Engagement	137,410	-	137,410	-	-	137,410
Jewish Federation of North America - Dues	358,534	-	358,534	-	-	358,534
Reserve Fund	14,638	-	14,638	-	-	14,638
Endowment and Foundation Distributions:						
Beneficiary and Other Local Agencies	425,381	1,968,049	2,393,430	-	-	2,393,430
National Agencies	8,827	107,497	116,324	-	-	116,324
Distributions to Charitable Organizations	76,440	1,188,417	1,264,857	-	-	1,264,857
Other Campaigns	192,224	-	192,224	-	-	192,224
Total Appropriations	8,282,063	3,263,963	11,546,026	-	-	11,546,026
EXPENSES						
Program	699,379	-	699,379	-	-	699,379
Holocaust Museum/Community Library	863,007	-	863,007	-	-	863,007
Operating:						
Planning and Allocations	655,186	-	655,186	-	-	655,186
Marketing and Communications	657,865	-	657,865	-	-	657,865
Philanthropy	2,272,637	-	2,272,637	-	-	2,272,637
Management and General	2,139,007	-	2,139,007	-	-	2,139,007
Building Operations	218,987	127,311	346,298	-	-	346,298
Total Expenses	7,506,068	127,311	7,633,379	-	-	7,633,379
Total Appropriations and Expenses	15,788,131	3,391,274	19,179,405	-	-	19,179,405
Changes in Net Assets Before Pension Changes	(1,002,120)	6,748,464	5,746,344	2,807,902	1,670,457	10,224,703
Pension Related Change Other than Net Periodic Cost, Net Gain (Loss)	1,511,172	-	1,511,172	-	-	1,511,172
Changes in Net Assets	509,052	6,748,464	7,257,516	2,807,902	1,670,457	11,735,875
Net Assets at Beginning of Year	(2,955,125)	72,733,828	69,778,703	22,107,100	19,922,366	111,808,169
Net Assets at End of Year	\$ (2,446,073)	\$ 79,482,292	\$ 77,036,219	\$ 24,915,002	\$ 21,592,823	\$ 123,544,044

See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (2,873,202)	\$ 11,735,875
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	304,332	293,313
Contributions Restricted for Long-Term Purposes	(982,145)	(1,588,201)
Contribution of Non-Cash Items	(3,000,000)	(4,796,694)
Pension Related Changes Other than Net Periodic Cost	884,078	(1,511,172)
Provision for Recovery of Uncollectible Receivables	95,000	-
Net Investment (Gain) Loss	480,861	(8,259,525)
Amortization of Discount on Contribution Receivable	(105,241)	(107,148)
Amortization of Discount on Grants Payable	(2,091)	(5,981)
Change in Value of Split-Interest Agreements	39,890	(102,337)
Change in Assets and Liabilities:		
Decrease in Receivables	166,556	37,846
(Increase) Decrease in Prepaid Expenses	(175,215)	213,486
Increase in Accounts Payable	478,273	422,809
Increase (Decrease) in Grants Payable	910,749	(78,438)
Increase in Accrued Expense	38,649	406,899
Increase in Obligations Under Split-Interest Agreements	53,139	513,401
Increase (Decrease) in Funds Held in Custody for Others	834,056	(4,098,223)
Amounts Restricted for Investment in Permanently Restricted Endowments	-	(25,000)
Net Cash Used by Operating Activities	(2,852,311)	(6,949,090)
CASH FLOWS FROM INVESTING ACTIVITIES		
Collections of Notes Receivable	8,296,802	1,310,387
Increase in Notes Receivable	(28,471)	(23,031,558)
Purchases of Building Improvements and Equipment	(47,258)	(140,590)
Purchase of Long-Term Investments	(26,053,092)	(23,860,246)
Proceeds from Sale of Long-Term Investments	32,502,564	28,545,308
Net Cash Provided (Used) by Investing Activities	14,670,545	(17,176,699)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Note Payable and Line of Credit	-	23,000,000
Payments on Notes Payable and Line of Credit	(7,957,888)	(1,363,222)
Proceeds from Amounts Restricted for Investment in Permanently Restricted Endowments	-	25,000
Contributions Restricted for Long-Term Purposes	982,145	1,588,201
Other Financing Activities - Payments of Obligations under Split-Interest Agreements	(377,238)	(547,248)
Net Cash Provided (Used) by Financing Activities	(7,352,981)	22,702,731
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,465,253	(1,423,058)
Cash and Cash Equivalents - Beginning	1,456,126	2,879,184
CASH AND CASH EQUIVALENTS - ENDING	\$ 5,921,379	\$ 1,456,126
SUPPLEMENTAL DISCLOSURE FOR NONCASH TRANSACTIONS		
Interest Paid	\$ 529,806	\$ 490,061
Noncash Contributions	\$ 3,000,000	\$ 4,796,694

See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Jewish Federation of St. Louis and subsidiaries (the Federation) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below:

Basis of Presentation

The Federation is a charitable corporation established for the purpose of soliciting, collecting, and distributing contributions for the benefit of all Jewish charitable, social welfare, cultural, educational, and philanthropic organizations and for providing certain asset management and general services to beneficiary agencies. The beneficiary agencies are legally separate operating entities distinct from the Federation and, as such, maintain their own accounting records and carry on their own services and programs. The activities of such agencies are not included in these consolidated financial statements.

The accompanying consolidated financial statements include the accounts and operations of the Lubin-Green Foundation, the Staenberg Family Foundation and the Kranzberg Foundation (the Foundations). The Foundations are separate not-for-profit entities, organized under Section 509(a)(3) of the Internal Revenue Code, and operated to carry out the purposes of the Federation. The Federation appoints a majority of the members of the Foundations' Boards of Directors, and provides all administrative services for the Foundations. All significant transactions between the Federation and the Foundations have been eliminated.

In addition, the accompanying consolidated financial statements include the accounts and operations of the Women's Auxiliary Foundation for the Jewish Aged, LLC. This Foundation is organized as a Single Member LLC, of which the Federation is the sole owner.

The Federation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

These consolidated financial statements have been prepared to focus on the Federation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classifying fund balances and transactions into three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Unrestricted Net Assets – Net assets not subject to donor-imposed stipulations. Unrestricted net assets are further subdivided by the Federation as follows:

Undesignated – Presents unrestricted net assets and increases and decreases in those net assets related to the annual appropriation process and other general operations of the Federation.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Unrestricted Net Assets (Continued)

Board-Controlled Endowments – Presents unrestricted net assets designated by the board of directors to function as endowments, and philanthropic funds representing irrevocable gifts to the Federation. Principal and income of philanthropic funds must be redistributed to qualifying charitable organizations; however, the Federation retains full discretion as to the distribution.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that will be met by actions of the Federation and/or the passage of time. After the donor-imposed time or purpose restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported within the consolidated statements of activities as net assets released from restrictions.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Federation. Generally, the donors of these assets permit the Federation to use all or part of the income earned on related investments for specific purposes.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. State grants are recognized as revenue to the extent expenses have been incurred under the terms of the respective grant agreements. Expenses are reported as decreases in unrestricted net assets. Investment income, including realized and unrealized net gains or losses on investments, is reported as an increase or a decrease in unrestricted net assets unless its use is restricted by donor stipulation or by law.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents consist of cash on hand and in banks, certificates of deposit, and interest-bearing money market accounts not intended to be held for long-term investment purposes.

Fair Value Measurements

The Federation measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Federation may use valuation techniques consistent with the market, income and cost approaches to measure fair value.

Financial assets recorded on the consolidated statements of financial position 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 Federation has the ability to access (examples include active exchange-traded equity securities, listed derivatives, and most U.S. Government and agency securities).

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 (examples include corporate and municipal bonds, which trade infrequently);

Pricing models whose inputs are observable for substantially the full term of the asset or liability (examples include most over-the-counter derivatives, including interest rate and currency swaps); 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 (examples include certain residential and commercial mortgage related assets, including loans, securities, and derivatives).

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 (examples include certain private equity investments and split-interest agreements).

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Accounting standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. The Federation carries all non-publicly traded equity securities at the lower of cost or market unless the election under this accounting standard has been made. To date the Federation has elected to carry all non-publicly traded equity securities at fair value with the exception of certain real-estate holdings. In addition, the Federation has individually elected to carry obligations under split-interest agreements at fair value.

Building and Equipment

Building and equipment additions equal to or greater than \$5,000 are capitalized at cost at date of acquisition, or fair market value at date of donation. Depreciation is recorded to relate the cost of depreciable assets to operations over their estimated service lives on the straight-line method.

Investments

A substantial portion of the valuations included in the financial statements are provided to the Federation by third parties and are not calculated by the Federation. These third parties follow U.S. generally accepted accounting principles (GAAP). In accordance with these principles, investments carried at fair value are based on quoted market prices, financial models of hypothetical transactions, or net asset value as determined by the fund manager. Investments in non-publicly traded real estate limited partnerships of approximately \$14,417,000 and \$10,870,000 at December 31, 2014 and 2013, respectively, are carried at the lower of cost or fair value. Cost for these investments if contributed is based on the fair value of the investments as determined by an independent appraisal at the date of the gift.

Cash equivalents are carried at cost and cash surrender value of life insurance policies are carried at contract value. Some valuations may also be determined and approved by the managers or valuation committees of the funds in which the Federation invests. The fair value assigned to a particular security by the fund does not necessarily reflect the amount that would be realized. In addition, in light of the judgment involved in fair value decisions, there can be no assurance that a fair value assigned to a particular security by the fund is accurate.

The Federation invests in a variety of investment vehicles, including limited partnerships that invest in public and private equity securities, debt securities and real estate.

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

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

Donated investments are initially recorded at estimated fair value at the date of donation. Realized and unrealized gains and losses are recognized in the period in which they occur.

Investments in life insurance policies are carried at net cash surrender value. Changes in cash surrender value (realized and unrealized) are recorded in the consolidated statements of activities.

The Federation maintains an investment pool available for participation by all Federation funds and other beneficiary agencies. Investment income derived from "pooled" investments is allocated to the participants based on their respective equities, represented by units of participation, in the investment pool.

Investment income earned on board-controlled endowments (other than philanthropic funds) is reclassified to unrestricted general operating net assets in the year subsequent to the year earned based on the spending rate adopted by the Federation's Board of Directors. The annual spending rate is based on a predetermined percentage applied to the average carrying value of these board-controlled endowments. The amount reclassified in this manner is the amount considered to be available for appropriations to beneficiary agencies and others in the annual budget process.

Pledges and Contributions

Pledges and contributions, including unconditional promises to give in future periods, are recognized as revenues in the period received. Pledges, contributions and unconditional promises that are expected to be collected within one year are recorded at net realizable value. Pledges, contributions and unconditional promises that are expected to be collected in future periods are recorded at the present value of their estimated future cash flows. This value is determined to be fair value and is calculated using an income approach of applying a discount rate technique in the year in which the pledge is received. Amortization of the discounts is included in contribution revenue. Conditional pledges and contributions, which depend upon specified future and uncertain events, are recognized as revenue when the conditions upon which they depend are substantially met.

An allowance for uncollectible pledges and contributions receivable are provided based upon management's estimate of unconditional promises to give which will ultimately not be collected. The Federation collection policy allows for delinquent pledges less than \$5,000 to be deemed uncollectible by Federation staff and subsequently written off after an internal approval process. Delinquent pledges \$5,000 and greater will be assigned to a committee that will determine collection strategies or recommend write-off.

Pledges and contributions received with donor-imposed restrictions that are satisfied in the same year as the pledge is received are reported initially as revenues of the temporarily restricted net asset class, and a reclassification to unrestricted net assets is made to reflect the expiration of such restrictions.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges and Contributions (Continued)

Contributions of property and equipment without donor stipulations concerning the use of such long-lived assets are reported as revenues of the unrestricted net asset class. Pledges of assets other than cash are recorded at their estimated fair value at the date satisfied. Pledges of cash or other assets to be used to acquire property and equipment are reported as revenues of the temporarily restricted net asset class; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

Regular Campaign Pledges Restricted for Subsequent Year

Solicitation for the Federation's annual campaign begins prior to the fiscal operating year to which it relates. Campaign pledges and related cash contributions received between commencement of the annual campaign and December 31 each year are initially recorded as "regular campaign pledges restricted for subsequent year" in the temporarily restricted net asset class. Such pledges are reclassified to unrestricted net assets – regular campaign revenue at the beginning of the year to which they relate.

Appropriations to Beneficiary Agencies and the Jewish Federations of North America

Appropriations to beneficiary agencies are recorded in the unrestricted net asset class when approved by the Board of Directors of the Federation. Appropriations are paid to beneficiary agencies in the year following the campaign from which they are funded and are reflected as accounts payable to beneficiary agencies in the accompanying consolidated financial statements. The Federation uses appropriations to the Jewish Federations of North America for directing national and international funds.

Functional Expenses

Expenses are allocated directly whenever directly identifiable. Expenses which are not directly identifiable by program or support service are allocated based on the best estimates of management.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires the Federation to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, accounts payable, 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 initially recorded at fair value using an appropriate discount rate and approximate fair value at year-end. Obligations under split-interest agreements approximate fair value based on life expectancy of the beneficiary and the present value of expected cash flows using a discount rate.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Income Taxes

The Federation has been recognized by the Internal Revenue Service as exempt from income taxes under Section 501(c)(3) of the Internal revenue Code and, accordingly, is generally not subject to income taxes. The Federation has adopted guidance regarding the recognition of uncertain income tax positions. The Federation's policy prescribes 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.

Subsequent Events

In preparing these consolidated financial statements, the Federation has evaluated events and transactions for potential recognition or disclosure in these consolidated financial statements through August 3, 2015, the date the consolidated financial statements were available to be issued.

Reclassifications

Certain 2013 amounts have been reclassified to conform to the 2014 presentation. The reclassification had no effect on the prior year's reported change in net assets or net asset balances.

NOTE 2 CAMPAIGN PLEDGES RECEIVABLE

At December 31, 2014 and 2013, campaign pledges receivable all due currently consisted of the following campaigns.

	<u>2014</u>	<u>2013</u>
Annual	\$ 2,327,419	\$ 2,621,928
Israel Emergency Campaign	3,065	1,200
Operation Exodus	75,000	75,000
Passage to Freedom	15,000	15,000
Other	536	171
Total Campaign Pledges Receivables	<u>2,421,020</u>	<u>2,713,299</u>
Less: Allowance for Uncollectible Pledge Receivable	<u>(648,048)</u>	<u>(839,491)</u>
Campaign Pledge Receivables, Net of Allowance	<u>\$ 1,772,972</u>	<u>\$ 1,873,808</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 2 CAMPAIGN PLEDGES RECEIVABLE (CONTINUED)

The regular campaign pledges receivable consisted of pledges from the following annual campaign years:

<u>Campaign Year</u>	<u>2014</u>	<u>2013</u>
2015	\$ 13,932	\$ -
2014	1,286,726	28,065
2013	395,796	1,861,396
2012	196,400	269,177
2011	80,013	86,380
2010	77,753	87,694
2009 and Prior	276,799	289,216
Total Regular Campaign Pledge Receivable	<u>\$ 2,327,419</u>	<u>\$ 2,621,928</u>

As of December 31, 2014 and 2013, the Federation had no conditional pledges or conditional contributions receivable.

NOTE 3 CONTRIBUTIONS RECEIVABLE

Contributions receivable are unconditional promises to give the Federation for purposes other than annual or other campaigns. At December 31, 2014 and 2013, contributions receivable expected to be collected in the future consisted of the following:

	<u>2014</u>	<u>2013</u>
Unrestricted	\$ 153,783	\$ 133,437
Permanently and Temporarily Restricted	7,083,058	7,108,143
Contributions Receivable before Unamortized Discount	7,236,841	7,241,580
Less: Unamortized Discounts from 3.66% to 6.05%	(3,056,551)	(3,161,792)
Net Contribution Receivable	<u>\$ 4,180,290</u>	<u>\$ 4,079,788</u>

<u>Amounts Due in</u>	<u>2014</u>	<u>2013</u>
2014		\$ 201,662
2015	\$ 234,123	-
2016	-	-
2017	-	-
2018	-	-
2019	-	-
2020	-	-
Thereafter	7,002,718	7,039,918
Total Contributions Receivable Before Unamortized Discounts	<u>\$ 7,236,841</u>	<u>\$ 7,241,580</u>

Two contributions receivable constitute 86% of net contributions receivable at December 31, 2014 and 2013.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 4 RELATED PARTY TRANSACTIONS

Certain individuals who serve on the Board of Directors of the Federation also serve on the Boards of Directors of the recipient local beneficiary agencies. The Federation appropriates amounts to various local beneficiary agencies based on budgets submitted to the Federation's Planning and Allocations Committee for approval, which are related party transactions.

Periodically the Federation has a member of its board of directors serve on the Board of Directors of the Jewish Federations of North America. As such, transactions and balances with the Jewish Federations of North America are considered related party transactions.

During the years ended December 31, 2014 and 2013, the Federation billed several local beneficiary agencies amounts representing their share of certain administrative expenses. Receivables from beneficiary agencies include billings for services provided to such agencies, and other loans or advances.

The members of the Federation's Board of Directors generously support the Federation. The approximate amount of board support included in pledges and contributions for the years ended December 31, 2014 and 2013 were approximately \$1.2 million and \$1.3 million, respectively, and the approximate amount of the pledges and contributions receivable due from board members were approximately \$165,000 at December 31, 2014 and 2013. Additional receivables resulting from long-term deferred gifts were approximately \$2.5 million at December 31, 2014 and 2013.

The Federation's building is located on a parcel of land leased from an affiliated organization. The lease term is 99 years commencing in 1980 and required a payment of \$100 at the commencement of the lease. The lease contains an option to purchase the land for \$100 however the land, if purchased, would contain a restrictive covenant that the land conveyed shall never be used for any purpose except the construction and operation of a building for Jewish community services and cultural activities. Subsequent to year-end, the Federation purchased the land at the option price.

NOTE 5 BUILDING AND EQUIPMENT

A summary of building and equipment at December 31, 2014 and 2013 is as follows:

	Estimated Useful Life in Years	2014	2013
Building - Building Improvements	45	\$ 2,963,532	\$ 2,960,707
Holocaust Museum - Building Improvements	33	666,249	666,249
Furniture, Fixtures and Equipment	3-12	4,461,077	4,416,644
		<u>8,090,858</u>	<u>8,043,600</u>
Less: Accumulated Depreciation		5,350,895	5,046,563
Building and Equipment, Net		<u>\$ 2,739,963</u>	<u>\$ 2,997,037</u>

Depreciation expense was \$304,332 and \$293,313 for 2014 and 2013, respectively.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 6 NOTES RECEIVABLE

Notes receivable consist of the following:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>2014</u>	<u>2013</u>
Central Agency for Jewish Education	5.00%	None	\$ 33,160	\$ 31,581
Unsecured note. Accrued interest is added to the then outstanding principal. Principal and outstanding interest become payable January 1, 2015, or when CAJE's pension liability is less than \$40,000. Refer to Note 18				
St. Louis Hillel at Washington University	5.00%	12/31/2017	91,429	140,000
Unsecured note. Interest is due monthly; principal payments are due annually at a subscribed amount.				
Saul Mirowitz Community School	5.00%	1/10/2015	19,953	510,273
\$750,000 revolving line of credit. Accrued interest is added to the then outstanding principal and due upon maturity. Principal payments may be made at any time. On January 10, 2014 a principal payment equal to \$250,000 or balance of the then principal outstanding, whichever is larger, was due. Note is secured by all unrestricted pledges of donors to the school. On February 21, 2014 the principal of this loan was received in full.				
Jewish Community Center	2.75%	3/31/2018	13,968,594	21,699,613
Interest due monthly, principal may be repaid at any time but the outstanding principal shall not exceed the maximum amounts as set forth in Note 11 of these financial statements. The note is secured by a security interest in substantially all assets and personal property of the Jewish Community Center.				
			<u>\$ 14,113,136</u>	<u>\$ 22,381,467</u>

NOTE 7 LONG-TERM INVESTMENTS

Long-term investments represent assets which are intended to be held by the Federation on a long-term basis. Such assets are either designated by the board of directors for long-term investment or are subject to donor-imposed, temporary or permanent restrictions.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 7 LONG-TERM INVESTMENTS (CONTINUED)

At December 31, 2014, the balance consisted of the following:

	<u>Carrying Value</u>	<u>Cost</u>
Cash Equivalents	\$ 8,824,691	\$ 8,824,691
Investments at Fair Value:		
Capital Preservation and US Government Obligations	2,430,107	2,157,758
State of Israel Bonds	911,500	911,500
Global Fixed Income	18,836,514	18,497,042
United States Equity	28,448,383	20,034,062
International Equity	23,368,361	26,932,554
Private Equity	8,700,885	5,538,275
Absolute Return Strategies	11,257,180	9,954,089
Commodities and Real Assets	10,363,641	10,615,109
Real Estate	5,965,251	12,440,349
Real Estate, at Cost	14,416,534	15,045,947
Cash Surrender Value of Life Insurance Policies	1,276,791	1,269,746
Other	34,007	34,007
Total Long-Term Investments	<u>\$ 134,833,845</u>	<u>\$ 132,255,129</u>

At December 31, 2013, the balance consisted of the following:

	<u>Carrying Value</u>	<u>Cost</u>
Cash Equivalents	\$ 5,784,329	\$ 5,784,329
Investments at Fair Value:		
Capital Preservation and US Government Obligations	2,515,830	2,204,881
State of Israel Bonds	2,306,525	2,311,500
Global Fixed Income	17,010,623	16,530,811
United States Equity	24,780,996	17,092,348
International Equity	25,130,044	25,199,002
Private Equity	10,541,335	6,420,771
Absolute Return Strategies	14,270,789	10,987,584
Commodities and Real Assets	11,385,104	10,517,426
Real Estate	12,878,576	12,381,016
Real Estate, at Cost	10,870,653	10,870,653
Cash Surrender Value of Life Insurance Policies	1,255,367	1,255,367
Other	34,007	34,007
Total Long-Term Investments	<u>\$ 138,764,178</u>	<u>\$ 121,589,695</u>

The following is a summary of the investment income relating to marketable securities held for the years ended December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Investment Income:		
Interest Income	\$ 3,309,245	\$ 2,958,528
Investment Advisor and Custodian Fees	(73,544)	(93,150)
Total Investment Income	<u>\$ 3,235,701</u>	<u>\$ 2,865,378</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 8 GRANTS PAYABLE

At December 31, 2014 and 2013, grants payable expected to be paid in the future consisted of the following:

	<u>2014</u>	<u>2013</u>
Grants Payable	\$ 1,372,421	\$ 376,700
Less: Unamortized Discount	(97,442)	(10,379)
Net Grants Payable	<u>\$ 1,274,979</u>	<u>\$ 366,321</u>
	<u>Amounts Due in</u>	
	<u>2014</u>	<u>2013</u>
2014	\$ -	\$ 229,200
2015	627,421	72,500
2016	150,000	55,000
2017	125,000	20,000
2018	95,000	-
2019	75,000	-
Thereafter	300,000	-
Total Grants Payable Before Unamortized Discount	<u>\$ 1,372,421</u>	<u>\$ 376,700</u>

The 2014 Grants Payable includes a special board approved grant of \$675,000 to Covenant Place for capital improvements to be paid in \$75,000 increments over the next nine years.

The discount rate used for new grants payable was 3.72% and 4.57% in 2014 and 2013, respectively.

NOTE 9 SPLIT-INTEREST AGREEMENTS

The Federation administers annuity trusts subject to the obligation to pay stipulated amounts periodically to the respective donors or designated beneficiaries during their lifetimes. Assets received under these agreements are recorded at fair value on the date the agreement or trust is recognized, and a liability is recorded at the present value of the estimated future obligations over the period of the agreement or mortality rates if applicable. The difference between the assets received and obligations recorded is recognized as contribution revenue. The obligations are discounted at 3.72% and 4.62% at December 31, 2014 and 2013, respectively. Marketable securities valued at \$3,793,028 and \$3,749,767 at December 31, 2014 and 2013, respectively, were available to fund annuity obligations.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 10 LINE OF CREDIT

The Federation has an unsecured line of credit agreement with US Bank which allows it to borrow up to \$3,000,000 with interest accruing at the one-month LIBOR rate plus 1.5%. LIBOR was .17% at December 31, 2014 and such, the interest rate for the line of credit was 1.67%. The amounts outstanding at December 31, 2014 and 2013 were \$903,698 and \$1,130,567, respectively.

NOTE 11 NOTE PAYABLE

	<u>Interest Rate</u>	<u>2014</u>	<u>2013</u>
Note Payable - U.S. Bank	2.75%	\$ 13,968,594	\$ 21,699,613

Interest is payable monthly, principal payments may be made at any time but the outstanding principal balance shall not exceed the maximum amounts as of the respective dates set forth below with a maturity date of March 30, 2018:

<u>Date</u>	<u>Maximum Outstanding Principal Balance</u>
December 31, 2015	\$ 17,600,000
December 31, 2016	14,600,000
December 31, 2017	11,600,000

The note is secured by the Federation's rights in its loan to its beneficiary agency (described in Note 6 of these consolidated financial statements), \$14,000,000 of Federation owned investments held in the pooled investments of the organization, and capital campaign pledges made payable to the beneficiary agency of which the Federation is party. In addition, the Federation must maintain unrestricted cash and investments in an amount not less than the greater of the aggregated amount of all outstanding debt or \$20,000,000. The Federation has complied or obtained waivers for any non-compliance with debt covenants.

NOTE 12 FUNDS HELD IN CUSTODY FOR OTHERS

Funds held in custody for others include investments of various beneficiary agencies and other organizations which participate in the pooled investment program of the Federation, which are related parties. These agencies and organizations retain the authority to withdraw these funds at any time with certain advance notice. Funds held in custody for others also include the estimated amount to be distributed to other organizations upon the death of a donor annuity beneficiary and amounts to be distributed in accordance with the Passport to Israel program.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 13 RETIREMENT PLANS

Defined Contribution Plan

Effective July 1, 2011, the Federation adopted an ERISA 403(b) plan with a match and a discretionary employer contribution component. The Federation makes matching contributions of 50% of employees' contributions, up to 4% of compensation, to all eligible employees. Matching contributions were \$37,112 and \$34,749 in 2014 and 2013, respectively. In addition, all employees hired after February 2011, with one year of service and employed on the last day of the year, are eligible for an employer discretionary contribution. The discretionary contribution is a predetermined percentage of the employees' annual compensation and is determined by years of service. The employer discretionary contribution was \$14,503 and \$9,106 in 2014 and 2013, respectively.

Defined Benefit Plan

The Federation has a noncontributory defined benefit pension and disability plan (the Plan) covering all employees hired prior to February 2011. The Plan's benefits are based primarily on years of service and average employee compensation near retirement. Plan costs are funded as they accrue. In February 2011, the board of directors approved freezing the Plan to new entrants and amended the future benefit accrual as of July 1, 2011. Annual contributions to the plan are determined by an actuary using the aggregate actuarial cost method which is designed to meet the full annual current costs of the plan. The Federation estimates that contributions to the retirement plan will be \$140,000 in 2015.

The measurement dates used for the Plan disclosures are as of December 31, 2014 and 2013 and for the years then ended.

The changes in the projected benefit obligation are as follows:

	2014	2013
Projected Benefit Obligation at Beginning of Year	\$ 6,471,026	\$ 7,576,177
Increase (Decrease) During Year Attributable to:		
Services Cost	139,416	240,338
Interest Cost	310,301	271,447
Actuarial Changes Due to Assumption Change(s)	1,131,035	(1,403,424)
Other Actuarial Gains (Losses)	(236,115)	412,829
Benefits Disbursed	(187,247)	(33,728)
Settlement	-	(592,613)
Net Increase (Decrease) for Year	1,157,390	(1,105,151)
Projected Benefit Obligation at End of Year	<u>\$ 7,628,416</u>	<u>\$ 6,471,026</u>
Accumulated Benefit Obligation	<u>\$ 7,074,437</u>	<u>\$ 5,852,679</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 13 RETIREMENT PLAN (CONTINUED)

The changes in fair value of net assets available for plan benefits are as follows:

	2014	2013
Fair Value of Net Assets Available for Plan Benefits at Beginning of Year	\$ 4,735,656	\$ 4,693,030
Increase (Decrease) During Year Attributable to:		
Actual Return on Plan Assets	262,927	506,478
Employer Contributions	102,888	162,489
Benefits Paid	(187,247)	(33,728)
Settlement Paid	-	(592,613)
Net Increase for Year	178,568	42,626
Fair Value of Net Assets Available for Plan Benefits at End of Year	\$ 4,914,224	\$ 4,735,656

A reconciliation of the funded status of the Plan is as follows:

	2014	2013
Liability for Pension Benefits as of Beginning of Year	\$ (1,736,341)	\$ (2,884,118)
Net Periodic Pension Costs	(197,632)	(525,884)
Employer Contributions	102,888	162,489
Net Gain (Loss) in Unrestricted Net Assets	(882,510)	1,511,172
Liability for Pension Benefits at End of Year	\$ (2,713,595)	\$ (1,736,341)

The components of annual net periodic pension cost for the Plan consists of the following:

	2014	2013
Service Costs, Benefit Earned During the Year	\$ 139,416	\$ 240,338
Interest on Projected Benefit Obligation	310,301	271,447
Expected Return on Plan Assets	(261,097)	(231,363)
Amortization of Net Actuarial Loss	9,012	179,224
Effect of Settlement	-	66,238
Net Cost	\$ 197,632	\$ 525,884

A reconciliation of items not yet reflected in net periodic pension costs:

	2014	2013
Net Loss at Beginning of Year	\$ 723,254	\$ 2,234,426
Reclassified as Net Periodic Benefit Cost	(9,012)	(179,224)
Net (Gain) Loss Arising During Period	893,090	(1,265,710)
Amount Recognized Due to Settlement	-	(66,238)
Net Loss at End of Year	\$ 1,607,332	\$ 723,254

In 2015, it is estimated that \$110,247 of unrecognized net loss will be reclassified as annual net periodic pension cost.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 13 RETIREMENT PLAN (CONTINUED)

Actuarial assumptions are as follows:

	<u>2014</u>	<u>2013</u>
Assumptions Used to Determine Year-End Benefit Obligation:		
Discount Rate	3.95%	5.00%
Rate of Increase in Compensation Levels	3.00%	3.00%
Assumptions Used to Determine Net Periodic Pension Costs:		
Discount Rate	5.00%	4.00%
Expected Long-Term Rate of Return on Assets	6.75%	6.75%
Rate of Increase in Compensation Levels	3.00%	4.00%

The expected long-term return on plan assets assumption was developed as a weighted average rate based on the target asset allocation of the plan and the long-term capital market assumptions. The overall return for each asset class was developed by combining a long-term inflation component and the associated expected real rates. The development of the capital market assumptions utilized a variety of methodologies, including, but not limited to, historical analysis, stock valuation models such as dividend discount models and earnings yields' models, expected economic growth outlook, and market yields analysis.

The following benefit payments are expected to be paid over the next 10 years as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2015	\$ 630,000
2016	720,000
2017	1,160,000
2018	340,000
2019	220,000
2020-2024	2,290,000

The Federation's pension plan asset allocations at December 31, 2014 and 2013, by asset category, are as follows:

<u>Asset Category</u>	<u>Plan Assets</u>	
	<u>2014</u>	<u>2013</u>
Cash and Cash Equivalents	3.42 %	3.19 %
Fixed Income	45.89	43.19
Large U.S. Equity	30.94	31.98
Small/Mid U.S. Equity	10.34	10.75
International Equity	9.41	10.89
Total	<u>100.00 %</u>	<u>100.00 %</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 13 RETIREMENT PLAN (CONTINUED)

The following tables represent the Federation's fair value hierarchy for pension plan assets measured at fair value on a recurring basis as of December 31, 2014 and 2013.

	2014			
	Level 1	Level 2	Level 3	Total
Pension Plan Assets:				
Fixed Income	\$ -	\$ 2,255,144	\$ -	\$ 2,255,144
Large U.S. Equity	-	1,520,301	-	1,520,301
Small/Mid U.S. Equity	-	508,144	-	508,144
International Equity	-	462,583	-	462,583
Total	\$ -	\$ 4,746,172	\$ -	\$ 4,746,172

	2013			
	Level 1	Level 2	Level 3	Total
Pension Plan Assets:				
Fixed Income	\$ -	\$ 2,045,141	\$ -	\$ 2,045,141
Large U.S. Equity	-	1,514,693	-	1,514,693
Small/Mid U.S. Equity	-	508,696	-	508,696
International Equity	-	515,876	-	515,876
Total	\$ -	\$ 4,584,406	\$ -	\$ 4,584,406

The Federation's Investment Policy has been to allow the Plan's Custodian to allocate Plan assets based on the demographics of plan participants and expected future outflows.

NOTE 14 OPERATING LEASE COMMITMENTS

The Federation leases office space for various local beneficiary agencies from the Community Housing Association, Inc., a beneficiary agency. Annual rent expense in both 2014 and 2013 was \$49,508.

The following is a schedule of minimum rental payments under the above:

Year Ending December 31,	Amount
2015	\$ 49,508
2016	50,454
2017	52,346
2018	52,346
2019	52,346
Thereafter	87,244
Total	\$ 344,244

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 15 FAIR VALUE MEASUREMENTS

The Federation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Federation measure fair value, refer to Note 1 – Summary of Significant Accounting Policies.

The following tables represent the Federation’s fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2014 and 2013.

	2014			
	Level 1	Level 2	Level 3	Total
Investments:				
Capital Preservation and U.S. Government Obligations	\$ 2,430,107	\$ -	\$ -	\$ 2,430,107
State of Israel Bonds	911,500	-	-	911,500
Global Fixed Income	16,380,240	-	2,456,274	18,836,514
United States Equity	22,576,386	5,871,997	-	28,448,383
International Equity	22,391,576	976,785	-	23,368,361
Private Equity	-	-	8,700,885	8,700,885
Absolute Return Strategies	-	11,257,180	-	11,257,180
Commodities and Real Assets	1,807,596	-	8,556,045	10,363,641
Real Estate	-	-	5,965,251	5,965,251
Total	<u>\$ 66,497,405</u>	<u>\$ 18,105,962</u>	<u>\$ 25,678,455</u>	<u>\$ 110,281,822</u>
Beneficial Interest in Charitable Remainder Unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,450</u>	<u>\$ 64,450</u>
Split-Interest Obligations to Beneficiaries and Others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,692,881)</u>	<u>\$ (2,692,881)</u>
	2013			
	Level 1	Level 2	Level 3	Total
Investments:				
Capital Preservation and U.S. Government Obligations	\$ 2,515,830	\$ -	\$ -	\$ 2,515,830
State of Israel Bonds	2,306,525	-	-	2,306,525
Global Fixed Income	15,907,484	-	1,103,139	17,010,623
United States Equity	20,716,188	4,064,808	-	24,780,996
International Equity	23,666,633	1,463,411	-	25,130,044
Private Equity	-	-	10,541,335	10,541,335
Absolute Return Strategies	-	14,270,789	-	14,270,789
Commodities and Real Assets	2,486,993	-	8,898,111	11,385,104
Real Estate	-	-	12,878,576	12,878,576
Total	<u>\$ 67,599,653</u>	<u>\$ 19,799,008</u>	<u>\$ 33,421,161</u>	<u>\$ 120,819,822</u>
Beneficial Interest in Charitable Remainder Unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,450</u>	<u>\$ 64,450</u>
Split-Interest Obligations to Beneficiaries and Others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,979,516)</u>	<u>\$ (2,979,516)</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 Assets

The following table provides a summary of changes in fair value of the Federation's Level 3 financial assets by fair value category for the years ended December 31, 2014 and 2013:

	Global Fixed Income	Private Equity	Commodities - Real Assets	Real Estate
January 1, 2013	\$ -	\$ 11,592,626	\$ 10,669,246	\$ 13,284,018
Purchases	1,344,337	1,101,294	388,000	2,144,832
Sales	-	(3,644,946)	(2,500,000)	(1,012,978)
Earned Income	-	-	-	-
Unrealized and Realized Gains and (Losses)	<u>(241,198)</u>	<u>1,492,361</u>	<u>340,865</u>	<u>(1,537,296)</u>
December 31, 2013	1,103,139	10,541,335	8,898,111	12,878,576
Purchases and Contributions	1,981,032	232,669	930,511	63,419
Sales	(1,076,092)	(2,929,697)	(187,162)	(7,315,952)
Earned Income	-	-	-	-
Unrealized and Realized Gains and (Losses)	<u>448,195</u>	<u>856,578</u>	<u>(1,085,415)</u>	<u>339,208</u>
December 31, 2014	<u><u>\$ 2,456,274</u></u>	<u><u>\$ 8,700,885</u></u>	<u><u>\$ 8,556,045</u></u>	<u><u>\$ 5,965,251</u></u>

	Beneficial Interest in Unitrust	Split-Interest Obligations to Beneficiaries and Others
January 1, 2013	\$ 64,450	\$ (3,159,126)
Distributions to Beneficiaries	-	547,248
Investment Income	-	(20,952)
Unrealized and Realized Gains and (Losses)	-	(449,023)
Change in Value	-	<u>102,337</u>
December 31, 2013	64,450	(2,979,516)
Distributions to Beneficiaries	-	377,238
Investment Income	-	(19,615)
Unrealized and Realized Gains and (Losses)	-	(31,098)
Change in Value	-	<u>(39,890)</u>
December 31, 2014	<u><u>\$ 64,450</u></u>	<u><u>\$ (2,692,881)</u></u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 and Level 3 Investments

The following table summarizes Level 2 and Level 3 investments by major category as of December 31, 2014 and 2013:

	2014	2013	Unfunded Commitments at December 31, 2014	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Global Fixed Income	\$ 2,456,274	\$ 1,103,139	\$ 1,365,136	n/a	n/a
US Equity	2,197,553	2,393,971	-	Annually	60 days
US Equity	1,825,163	1,670,837	-	Semi-Annually	60 days
US Equity	1,849,281	-	-	Quarterly	60 days
International Equity	976,785	1,463,411	-	Quarterly	45 days
Private Equity	8,700,885	10,541,335	909,451	n/a	n/a
Absolute Return	1,888,229	1,869,813	-	Annually	45-90 days
Absolute Return	-	5,416,992	-	Semi-Annually	75 days
Absolute Return	7,229,211	6,983,984	-	Quarterly	60-65 days
Absolute Return	2,139,740	-	-	Quarterly	45 days
Commodities	8,556,045	8,898,111	4,339,830	n/a	n/a
Real Estate	5,965,251	12,878,576	-	n/a	n/a
	<u>\$ 43,784,417</u>	<u>\$ 53,220,169</u>	<u>\$ 6,614,417</u>		

Global Fixed Income includes investments in private funds that invest in mezzanine securities issued by lower middle market companies in North America. The investments consist of subordinated debt combined with equity features such as convertible debt, preferred stock or warrants. Underlying investments are valued quarterly and annually and have restricted liquidity provisions.

United State Equity and International Equity funds include long-term investments in domestic securities and foreign securities, respectively. In this category, units were priced daily but the fund manager with certain liquidity restrictions imposed on participants.

Private equity includes investments in funds of funds holding underlying positions in funds owning private assets. Underlying investments are valued quarterly and annually and have restrictive liquidity provisions. Investing in private equity provides diversification, growth potential, and wider market access to the overall portfolio.

Absolute Return funds invest in diversified portfolios designed to provide a less correlated source of return than fixed income and equity strategies. The strategy is implemented with a wide array of financial instruments, both domestic and global, including equities, fixed income and derivatives. Managers may leverage portfolios, sell financial instruments short and/or invest selectively in illiquid investments.

Commodities take positions in a variety of commodities, commodity futures, as well as equity securities closely correlated with the performance of such assets, including energy related companies. Investing in commodities provides additional diversification as well as a hedge against inflation. In this category, units were priced daily but the fund manager with certain liquidity restrictions imposed on participants.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

Real Estate investments consist of minority interests in limited liability companies holding retail properties. Real Estate assets are valued annually by management using a discounted cash flow model. Such investments are not marketable and have liquidity restrictions imposed.

NOTE 16 ENDOWMENT

The Federation's endowment consists of approximately 250 individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the board of directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Certain donor contributions restricted for specific purpose or time are considered by the board of directors as quasi-endowments and are included in temporarily restricted endowments.

Endowment net asset activity and type of fund for the years ended December 31, 2014 and 2013:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, December 31, 2012	\$ 44,862,923	\$ 19,482,642	\$ 19,922,366	\$ 84,267,931
Earnings:				
Interest and Dividends, Net of Fees	970,292	608,590	-	1,578,882
Realized Losses	1,834,734	1,360,319	-	3,195,053
Unrealized Gains	2,316,899	2,193,760	-	4,510,659
Total Investment Returns	5,121,925	4,162,669	-	9,284,594
Contributions	2,207,962	139,764	1,670,457	4,018,183
Appropriations for Expenditure	(6,939,080)	(1,759,426)	-	(8,698,506)
Other Changes: Transfers	-	-	-	-
Endowment Net Assets, December 31, 2013	45,253,730	22,025,649	21,592,823	88,872,202
Earnings:				
Interest and Dividends, Net of Fees	1,143,799	663,061	-	1,806,860
Realized Gains	3,090,280	2,408,661	-	5,498,941
Unrealized Gains	(3,139,831)	(2,487,867)	-	(5,627,698)
Total Investment Returns	1,094,248	583,855	-	1,678,103
Contributions	2,252,106	80,978	982,145	3,315,229
Appropriations for Expenditure	(4,477,186)	(2,332,349)	-	(6,809,535)
Other Changes: Transfers	-	-	-	-
Endowment Net Assets, December 31, 2014	<u>\$ 44,122,898</u>	<u>\$ 20,358,133</u>	<u>\$ 22,574,968</u>	<u>\$ 87,055,999</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 16 ENDOWMENT (CONTINUED)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Fund Net Assets by Type of Fund as of December 31, 2013:				
Donor-Restricted Endowment Funds	\$ -	\$ 7,025,770	\$ 21,592,823	\$ 28,618,593
Board Restricted Endowment Funds	45,253,730	14,999,879	-	60,253,609
Total Endowment Funds	<u>\$ 45,253,730</u>	<u>\$ 22,025,649</u>	<u>\$ 21,592,823</u>	<u>\$ 88,872,202</u>
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Fund Net Assets by Type of Fund as of December 31, 2014:				
Donor-Restricted Endowment Funds	\$ -	\$ 5,964,573	\$ 22,574,968	\$ 28,539,541
Board Restricted Endowment Funds	44,122,898	14,393,560	-	58,516,458
Total Endowment Funds	<u>\$ 44,122,898</u>	<u>\$ 20,358,133</u>	<u>\$ 22,574,968</u>	<u>\$ 87,055,999</u>

Return Objectives and Risk Parameters

The primary investment objective of the portfolio is an emphasis on capital appreciation with modest current income. The portfolio seeks to maximize potential total return consistent with minimizing overall volatility in the context of these guidelines. The total rate of return for individual investment styles will be compared to their appropriate index.

Spending Policy

The Federation has a policy of appropriating for distribution each year 5% of its endowment fund's average fair value over the prior eight quarters through the calendar year-end proceeding the calendar year prior to the year distribution is planned. In establishing this policy, the Federation considered the long-term expected return on its endowment.

NOTE 17 RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES

Restricted net assets at December 31, 2014 and 2013 consist of the following:

	Temporarily Restricted		Permanently Restricted	
	2014	2013	2014	2013
Gifts and Other Unexpected Revenues and Grants Available for:				
Acquisition of Building and Equipment	\$ 136,923	\$ 136,923	\$ -	\$ -
Pledges Restricted for Subsequent Year	659,203	1,598,476	-	-
Other Time and Purpose Restricted Funds	21,168,083	22,303,119	22,574,968	21,592,823
Donor Annuities	838,074	876,484	-	-
Total Donor Restricted Net Assets	<u>\$ 22,802,283</u>	<u>\$ 24,915,002</u>	<u>\$ 22,574,968</u>	<u>\$ 21,592,823</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 18 SUBSEQUENT EVENTS

In August 2014, the Federation's Board of Directors approved the merger of the Federation and one of its beneficiary organizations, Central Agency for Jewish Education (CAJE). The Federation will assume all assets and liabilities of CAJE as well as assume sponsorship of its frozen benefit plans. The merger was effective July 1, 2015, at that point CAJE ceased to exist. The merger was accounted for as an acquisition under US GAAP.

The Staenberg Family Foundation was notified in January 2015 that their 2012 and 2013 tax returns were selected for examination by the IRS. As of the date of these financial statements the IRS examination is ongoing.

JEWISH FEDERATION OF ST. LOUIS
APPROPRIATIONS TO BENEFICIARY AND OTHER AGENCIES
YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014		2013	
	Unrestricted Allocation	Strategic Program Grants	Unrestricted Allocation	Strategic Program Grants
Anti-Defamation League	\$ -	\$ 8,450	\$ -	\$ -
B'nai Amoona	-	43,000	-	2,500
B'nai B'rith Hillel Foundation	167,042	44,720	167,042	24,720
Central Agency for Jewish Education of St. Louis	653,942	427,840	649,132	463,722
Chabad on Campus	-	32,600	-	30,850
Community Aging Corporation	69,887	-	69,887	-
Day School Funding Pool:				
H. F. Epstein Hebrew Academy	92,000	-	142,379	-
Saul Mirowitz Community Day School	249,500	-	137,164	-
Torah Prep School	196,000	-	225,031	-
RAVSAK	-	36,549	-	-
The Gladys & Henry Crown Center for				
Senior Living	-	66,402	-	98,704
Interfaith Mission	-	18,800	-	-
Internship Program	-	7,134	-	-
Innovation Grants	-	7,070	-	30,000
Jewish Community Center	991,405	206,950	991,405	221,451
Jewish Community Relations Council	285,055	-	295,669	12,125
Jewish Family and Children's Service	329,603	237,885	329,603	185,771
Jewish Federations of North America:				
Domestic Agencies	-	261,597	-	270,857
Overseas Agencies	-	582,225	-	511,780
Jewish Student Union	-	33,000	-	-
MERS/ Goodwill Industries	41,904	-	41,886	-
Next D'Or	-	10,000	-	10,000
Nishma	-	7,000	-	-
Sherut Leumi	-	30,000	-	-
St. Louis Jewish Light	77,170	-	77,170	-
St. Louis Kollel	-	-	-	7,500
	<u>\$ 3,153,508</u>	<u>\$ 2,061,222</u>	<u>\$ 3,126,368</u>	<u>\$ 1,869,980</u>

**JEWISH FEDERATION OF ST. LOUIS
SCHEDULES OF FUNCTIONAL EXPENSE
YEARS ENDED DECEMBER 31, 2014 AND 2013**

Year Ended December 31, 2014	Program	Holocaust Museum and Library	Planning & Allocation	Community Development	Marketing & Communication	Philanthropy	Management and General	Building Operations	2014 Total
Salaries and Benefits	\$ 353,759	\$ 419,428	\$ 714,823	\$ 25,699	\$ 393,523	\$ 1,542,742	\$ 603,119	\$ 281,346	\$ 4,334,439
Professional Fees	153,609	66,354	266,383	-	154,054	217,351	437,131	300	1,295,182
Meetings, Events and Conferences	21,582	56,956	32,086	13,327	1,657	102,167	55,330	20	283,125
Missions	-	-	8,175	204	-	108,014	(1,315)	-	115,078
Local Transportation	3,510	4,521	1,140	429	102	1,424	6,238	741	18,105
Supplies and Equipment Maintenance	5,811	21,362	3,961	97	4,751	9,009	39,952	42,524	127,467
Promotional Materials and Printing	18,749	68,379	9,641	283	212,780	26,985	39,016	-	375,833
Books, Publications, and Subscriptions	934	1,363	2,045	-	15,353	3,336	12,050	567	35,648
Awards and Grants	1,648	4,325	42	1,513	4,569	16,835	7,321	-	36,253
Telephone	300	-	805	220	-	-	5,220	21,751	28,296
Postage and Shipping	4,504	7,879	3,103	62	6,774	12,810	4,779	12	39,923
Utilities	-	-	-	-	-	-	-	70,612	70,612
Building and Grounds Maintenance	-	8,074	-	-	-	-	-	137,977	146,051
Occupancy	19,045	180,179	29,053	8,273	25,780	79,646	30,596	49,507	422,079
Insurance	-	-	-	-	7,512	-	43,524	16,281	67,317
Miscellaneous	-	193	-	-	-	-	15,320	-	15,513
Interest	-	-	-	-	-	-	529,806	-	529,806
Brokerage Costs - Gifts	-	-	-	-	-	12,969	-	-	12,969
Intercompany Charges	-	-	-	-	(52,140)	-	(53,901)	(395,761)	(501,802)
Total Operating Expenses	583,451	839,013	1,071,257	50,107	774,715	2,133,288	1,774,186	225,877	7,451,894
Depreciation	12,279	29,020	19,104	6,463	23,654	45,496	22,257	146,059	304,332
Provision for Uncollectible Pledges	-	-	-	-	-	-	95,000	-	95,000
Total Expenses	\$ 595,730	\$ 868,033	\$ 1,090,361	\$ 56,570	\$ 798,369	\$ 2,178,784	\$ 1,891,443	\$ 371,936	\$ 7,851,226

Year Ended December 31, 2013	Program	Holocaust Museum and Library	Planning & Allocation	Community Development	Marketing & Communication	Philanthropy	Management and General	Building Operations	2014 Total
Salaries and Benefits	\$ 438,001	\$ 428,297	\$ 547,027	\$ -	\$ 373,254	\$ 1,611,584	\$ 584,083	\$ 245,691	\$ 4,227,937
Professional Fees	156,488	69,921	24,285	-	87,334	129,423	363,199	-	830,650
Meetings, Events and Conferences	31,638	29,050	17,702	-	2,354	61,935	67,947	31	210,657
Missions	853	-	8,174	-	2,939	21,852	18,175	-	51,993
Local Transportation	5,138	4,938	991	-	2	1,252	5,815	792	18,928
Supplies and Equipment Maintenance	4,047	23,064	2,661	-	3,897	5,233	36,262	38,366	113,530
Promotional Materials and Printing	11,225	72,392	4,270	-	43,335	48,679	14,456	-	194,357
Books, Publications, and Subscriptions	1,267	1,714	2,045	-	16,618	3,928	11,639	87	37,298
Awards and Grants	12,761	2,865	90	-	-	99,846	10,257	-	125,819
Telephone	300	-	27	-	-	434	3,078	20,713	24,552
Postage and Shipping	4,083	9,136	853	-	631	24,187	6,961	31	45,882
Utilities	-	-	-	-	-	-	-	74,400	74,400
Building and Grounds Maintenance	-	8,743	-	-	-	-	-	109,993	118,736
Occupancy	19,771	180,840	18,364	-	23,687	69,511	31,057	49,508	392,738
Insurance	-	-	-	-	7,255	-	32,144	22,247	61,646
Miscellaneous	-	462	-	-	-	-	13,291	-	13,753
Interest	-	-	-	-	-	-	490,061	-	490,061
Brokerage Costs - Gifts	-	-	-	-	-	10,583	-	-	10,583
Intercompany Charges	-	-	-	-	(52,140)	-	(65,826)	(361,105)	(479,071)
Total Operating Expenses	685,572	831,422	626,489	-	509,166	2,088,447	1,622,599	200,754	6,564,449
Depreciation	13,807	31,585	12,759	-	20,769	49,358	19,491	145,544	293,313
Provision for Uncollectible Pledges	-	-	-	-	-	-	-	-	-
Transition Expenses	-	-	15,938	-	127,930	134,832	496,917	-	775,617
Total Expenses	\$ 699,379	\$ 863,007	\$ 655,186	\$ -	\$ 657,865	\$ 2,272,637	\$ 2,139,007	\$ 346,298	\$ 7,633,379

**JEWISH FEDERATION OF ST. LOUIS
SCHEDULES OF PROGRAM EXPENSES
YEAR ENDED DECEMBER 31, 2014 AND 2013**

Year Ended December 31, 2014	NORC	Millstone Institute	Government Relations	Post Israel Engagement	2014 Total
Salaries and Benefits	\$ 160,184	\$ 154,793	\$ 38,782	\$ -	\$ 353,759
Professional Fees	70,341	21,608	61,660	-	153,609
Meetings, Events and Conferences	17,176	4,376	30	-	21,582
Local Transportation	3,134	227	149	-	3,510
Supplies and Equipment Maintenance	3,487	2,324	-	-	5,811
Promotional Materials and Printing	10,871	7,878	-	-	18,749
Books, Publications, and Subscriptions	-	934	-	-	934
Awards and Grants	40	1,608	-	-	1,648
Telephone	-	300	-	-	300
Postage and Shipping	4,199	305	-	-	4,504
Occupancy	9,234	8,657	1,154	-	19,045
Depreciation	5,946	5,687	646	-	12,279
Total Expenses	<u>\$ 284,612</u>	<u>\$ 208,697</u>	<u>\$ 102,421</u>	<u>\$ -</u>	<u>\$ 595,730</u>

Year Ended December 31, 2013	NORC	Millstone Institute	Government Relations	Post Israel Engagement	2013 Total
Salaries and Benefits	\$ 165,200	\$ 178,937	\$ 43,641	\$ 50,223	\$ 438,001
Professional Fees	79,308	16,052	60,440	688	156,488
Meetings, Events and Conferences	13,136	12,584	62	5,856	31,638
Missions	-	-	-	853	853
Local Transportation	4,535	364	6	233	5,138
Supplies and Equipment Maintenance	2,137	1,865	15	30	4,047
Promotional Materials and Printing	4,360	2,057	-	4,808	11,225
Books, Publications, and Subscriptions	-	1,267	-	-	1,267
Awards and Grants	-	1,261	-	11,500	12,761
Telephone	-	300	-	-	300
Postage and Shipping	3,546	248	-	289	4,083
Occupancy	8,427	7,455	972	2,917	19,771
Depreciation	5,796	5,221	698	2,092	13,807
Total Expenses	<u>\$ 286,445</u>	<u>\$ 227,611</u>	<u>\$ 105,834</u>	<u>\$ 79,489</u>	<u>\$ 699,379</u>

**JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2014**

	Jewish Federation of St. Louis	Supporting Foundations	Total Before Eliminations	Eliminations	Consolidated Total
ASSETS					
Cash and Cash Equivalents	\$ 1,417,267	\$ 4,504,112	\$ 5,921,379	\$ -	\$ 5,921,379
Receivables:					
Campaign Pledges, Net of Allowance	1,772,972	-	1,772,972	-	1,772,972
Beneficiary Agencies, Net of Allowance	16,436	-	16,436	-	16,436
Accrued Interest	58,961	-	58,961	-	58,961
Other	275,708	(18,611)	257,097	-	257,097
Prepaid Expenses	274,022	-	274,022	-	274,022
Building and Equipment, Net	2,739,963	-	2,739,963	-	2,739,963
Notes Receivable	14,113,136	-	14,113,136	-	14,113,136
Contributions Receivable, Net	1,517,799	2,672,491	4,190,290	(10,000)	4,180,290
Long-Term Investments	103,605,035	31,228,810	134,833,845	-	134,833,845
	<u>\$ 125,791,299</u>	<u>\$ 38,386,802</u>	<u>\$ 164,178,101</u>	<u>\$ (10,000)</u>	<u>\$ 164,168,101</u>
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts Payable:					
Beneficiary Agencies	\$ 2,434,564	\$ -	\$ 2,434,564	\$ -	\$ 2,434,564
The Jewish Federations of North America	798,577	-	798,577	-	798,577
Other Campaigns	23,054	-	23,054	-	23,054
Other	182,850	12,175	195,025	-	195,025
Grants Payable	585,846	699,133	1,284,979	(10,000)	1,274,979
Accrued Expense	452,661	-	452,661	-	452,661
Accrued Pension Obligation	2,713,595	-	2,713,595	-	2,713,595
Obligations to Beneficiaries Under					
Split-Interest Agreements	2,309,680	-	2,309,680	-	2,309,680
Line of Credit	903,698	-	903,698	-	903,698
Note Payable	13,968,594	-	13,968,594	-	13,968,594
Funds Held in Custody for Others:					
Pooled Investments	16,435,939	-	16,435,939	-	16,435,939
Split-Interest Agreements	383,201	-	383,201	-	383,201
Passport to Israel	688,519	-	688,519	-	688,519
Other	915,173	-	915,173	-	915,173
Total Liabilities	<u>42,795,951</u>	<u>711,308</u>	<u>43,507,259</u>	<u>(10,000)</u>	<u>43,497,259</u>
NET ASSETS					
Unrestricted:					
Undesignated:					
Net Investment in Building and Equipment	2,739,963	-	2,739,963	-	2,739,963
Undesignated	(7,280,470)	-	(7,280,470)	-	(7,280,470)
Board-Controlled Endowments and Other:					
Philanthropic Funds	6,282,392	-	6,282,392	-	6,282,392
Board Designated as Endowment	9,228,372	22,887	9,251,259	-	9,251,259
Board Designated as Future Use	29,976,354	-	29,976,354	-	29,976,354
Other	-	34,324,093	34,324,093	-	34,324,093
Total Unrestricted	<u>40,946,611</u>	<u>34,346,980</u>	<u>75,293,591</u>	<u>-</u>	<u>75,293,591</u>
Restricted:					
Temporarily	22,802,283	-	22,802,283	-	22,802,283
Permanently	19,246,454	3,328,514	22,574,968	-	22,574,968
Total Net Assets	<u>82,995,348</u>	<u>37,675,494</u>	<u>120,670,842</u>	<u>-</u>	<u>120,670,842</u>
Total Liabilities and Net Assets	<u>\$ 125,791,299</u>	<u>\$ 38,386,802</u>	<u>\$ 164,178,101</u>	<u>\$ (10,000)</u>	<u>\$ 164,168,101</u>

**JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014**

	Jewish Federation of St. Louis			Supporting Foundations			Eliminating Entries	Consolidated Total			
	Unrestricted	Restricted		Unrestricted	Permanently Restricted			Unrestricted	Restricted		Total
		Temporarily	Permanently	Total					Temporarily	Permanently	Total
REVENUES, GAINS, AND OTHER SUPPORT											
Pledges:											
Regular Campaign:											
Pledges Received in the Current Year	\$ 8,833,446	\$ -	\$ -	\$ 8,833,446	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,833,446
Pledges Received in the Prior Year	449,486	(449,486)	-	-	-	-	-	-	449,486	(449,486)	-
Pledges Restricted for Subsequent Year	-	455,103	-	455,103	-	-	-	-	455,103	-	455,103
Total Regular Campaign	9,282,932	5,617	-	9,288,549	-	-	-	-	9,282,932	5,617	9,288,549
Annual Campaign: Designated	-	204,100	-	204,100	-	-	-	-	204,100	-	204,100
Total Annual Campaign	9,282,932	209,717	-	9,492,649	-	-	-	-	9,282,932	209,717	9,492,649
Other Campaigns	597,560	-	-	597,560	-	-	-	-	597,560	-	597,560
Friends of Holocaust Campaign	190,390	-	-	190,390	-	-	-	-	190,390	-	190,390
Friends of the Saul Brodsky Library Campaign	32,632	-	-	32,632	-	-	-	-	32,632	-	32,632
Less: Amounts Derived from Board-Controlled Funds	(1,532,708)	-	-	(1,532,708)	(791,269)	-	(791,269)	-	(2,323,977)	-	(2,323,977)
Net Campaigns	8,570,806	209,717	-	8,780,523	(791,269)	-	(791,269)	-	7,779,537	209,717	7,989,254
Contributions, Bequests and Gifts	2,556,285	356,982	249,589	3,162,856	3,483,914	732,556	4,216,470	-	6,040,199	356,982	982,145
Government Grants	77,148	668	-	77,816	-	-	-	-	77,148	668	77,816
United Way of Greater St. Louis, Inc.	180,475	-	-	180,475	-	-	-	-	180,475	-	180,475
Other Grants	56,000	19,775	-	75,775	-	-	-	-	56,000	19,775	75,775
Services to Beneficiary Agencies	245,120	-	-	245,120	-	-	-	-	245,120	-	245,120
Other Income	244,937	-	-	244,937	-	-	-	-	244,937	-	244,937
Investment Income	1,301,473	663,061	(5,350)	1,959,184	1,271,167	5,350	1,276,517	-	2,572,640	663,061	3,235,701
Net Gain on Investments	(47,824)	(79,206)	11,288	(115,742)	(353,831)	(11,288)	(365,119)	-	(401,655)	(79,206)	(480,861)
Change in Value of Split-Interest Agreements	-	(39,890)	-	(39,890)	-	-	-	-	-	(39,890)	(39,890)
Net Assets Released from Restrictions:											
Program	2,339,222	(2,339,222)	-	-	-	-	-	-	2,339,222	(2,339,222)	-
Other	1,011,142	(1,011,142)	-	-	-	-	-	-	1,011,142	(1,011,142)	-
Reclassification from Board-Controlled Endowments, Net	72,882	106,538	-	179,420	(179,420)	-	(179,420)	-	(106,538)	106,538	-
Total Revenues, Gains, and Other Support	16,607,666	(2,112,719)	255,527	14,750,474	3,430,561	726,618	4,157,179	-	20,038,227	(2,112,719)	982,145
APPROPRIATIONS AND EXPENSES											
APPROPRIATIONS											
Unrestricted:											
Local Agencies	3,153,508	-	-	3,153,508	-	-	-	-	3,153,508	-	3,153,508
Israel and Overseas	2,092,721	-	-	2,092,721	-	-	-	-	2,092,721	-	2,092,721
National Agencies	116,451	-	-	116,451	-	-	-	-	116,451	-	116,451
Strategic Program Grants:											
Ensuring the Jewish Future	953,310	-	-	953,310	-	-	-	-	953,310	-	953,310
Caring for Jews in Need - Domestic	484,237	-	-	484,237	-	-	-	-	484,237	-	484,237
Caring for Jews in Need - Overseas	495,225	-	-	495,225	-	-	-	-	495,225	-	495,225
Community Engagement	128,450	-	-	128,450	-	-	-	-	128,450	-	128,450
Jewish Federation of North America - Dues	358,534	-	-	358,534	-	-	-	-	358,534	-	358,534
Reserve Fund	19,374	-	-	19,374	-	-	-	-	19,374	-	19,374
Endowment and Foundation Distributions:											
Beneficiary and Other Local Agencies	1,900,548	-	-	1,900,548	1,366,632	-	1,366,632	-	3,267,180	-	3,267,180
National Agencies	117,278	-	-	117,278	5,800	-	5,800	-	123,078	-	123,078
Distributions to Charitable Organizations	873,226	-	-	873,226	506,517	-	506,517	-	1,379,743	-	1,379,743
Other Campaigns	473,740	-	-	473,740	-	-	-	-	473,740	-	473,740
Total Appropriations	11,166,602	-	-	11,166,602	1,878,949	-	1,878,949	-	13,045,551	-	13,045,551
EXPENSES											
Program	595,730	-	-	595,730	-	-	-	-	595,730	-	595,730
Holocaust Museum/Community Library	868,033	-	-	868,033	-	-	-	-	868,033	-	868,033
Operating:											
Planning and Allocations	1,090,361	-	-	1,090,361	-	-	-	-	1,090,361	-	1,090,361
Community Development	56,570	-	-	56,570	-	-	-	-	56,570	-	56,570
Marketing and Communications	798,369	-	-	798,369	-	-	-	-	798,369	-	798,369
Philanthropy	2,178,784	-	-	2,178,784	-	-	-	-	2,178,784	-	2,178,784
Management and General	1,852,456	-	-	1,852,456	38,987	-	38,987	-	1,891,443	-	1,891,443
Building Operations	371,936	-	-	371,936	-	-	-	-	371,936	-	371,936
Total Expenses	7,812,239	-	-	7,812,239	38,987	-	38,987	-	7,851,226	-	7,851,226
Total Appropriations and Expenses	18,978,841	-	-	18,978,841	1,917,936	-	1,917,936	-	20,896,777	-	20,896,777
Changes in Net Assets Before Pension Changes	(2,371,175)	(2,112,719)	255,527	(4,228,367)	1,512,625	726,618	2,239,243	-	(858,550)	(2,112,719)	982,145
Pension Related Change Other than Net Periodic Cost, Net Loss	(884,078)	-	-	(884,078)	-	-	-	-	(884,078)	-	(884,078)
Changes in Net Assets	(3,255,253)	(2,112,719)	255,527	(5,112,445)	1,512,625	726,618	2,239,243	-	(1,742,628)	(2,112,719)	982,145
Net Assets at Beginning of Year	44,201,864	24,915,002	18,990,927	88,107,793	32,834,355	2,601,896	35,436,251	-	77,036,219	24,915,002	21,592,823
Net Assets at End of Year	\$ 40,946,611	\$ 22,802,283	\$ 19,246,454	\$ 82,995,348	\$ 34,346,980	\$ 3,328,514	\$ 37,675,494	\$ -	\$ 75,293,591	\$ 22,802,283	\$ 22,574,968