

JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
YEARS ENDED DECEMBER 31, 2015 AND 2014

**JEWISH FEDERATION OF ST. LOUIS
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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, 2015 and 2014, 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, 2015 and 2014, 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 33 through 37 is presented for purposes of additional analysis of the consolidated financial statements and is not a required part of the consolidated financial statements. 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
June 7, 2016

JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014

ASSETS	2015	2014
Cash and Cash Equivalents	\$ 1,714,519	\$ 5,921,379
Receivables:		
Campaign Pledges, Net of Allowance (Note 2)	1,359,007	1,772,972
Beneficiary Agencies, Net of Allowance	-	16,436
Accrued Interest	26,578	58,961
Other	742,013	257,097
Prepaid Expenses	351,927	274,022
Building and Equipment, Net (Note 5)	2,862,163	2,739,963
Notes Receivable (Note 6)	10,828,596	14,113,136
Contributions Receivable, Net (Note 3)	4,193,207	4,180,290
Long-Term Investments (Note 7)	128,778,973	134,833,845
Total Assets	\$ 150,856,983	\$ 164,168,101
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable:		
Beneficiary Agencies	\$ 1,891,408	\$ 2,434,564
The Jewish Federations of North America	672,506	798,577
Other Campaigns	23,054	23,054
Other	451,024	195,025
Grants Payable (Note 8)	1,895,706	1,274,979
Accrued Expense	557,470	452,661
Accrued Pension Obligation (Note 13)	2,956,841	2,713,595
Obligations to Beneficiaries Under Split-Interest Agreements (Note 9)	1,930,534	2,309,680
Line of Credit (Note 10)	1,617,219	903,698
Note Payable (Note 11)	10,747,693	13,968,594
Funds Held in Custody for Others (Note 12):		
Pooled Investments	14,615,555	16,435,939
Split-Interest Agreements (Note 9)	355,209	383,201
Passport to Israel	648,611	688,519
Other	904,474	915,173
Total Liabilities	39,267,304	43,497,259
NET ASSETS		
Unrestricted:		
Undesignated:		
Net Investment in Building and Equipment	2,862,163	2,739,963
Undesignated	(8,287,701)	(7,280,470)
Board-Controlled Endowments and Other:		
Philanthropic Funds	7,243,666	6,282,392
Board Designated as Endowment	8,349,536	9,251,259
Board Designated as Future Use	27,567,183	29,976,354
Other	31,039,983	34,324,093
Total Unrestricted	68,774,830	75,293,591
Restricted:		
Temporarily (Note 17)	19,506,036	22,802,283
Permanently (Note 16 and 17)	23,308,813	22,574,968
Total Net Assets	111,589,679	120,670,842
Total Liabilities and Net Assets	\$ 150,856,983	\$ 164,168,101

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015**

	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	\$ 8,874,404	\$ -	\$ 8,874,404	\$ -	\$ -	\$ 8,874,404
Pledges Received in the Prior Year	455,103	-	455,103	(455,103)	-	-
Pledges Restricted for Subsequent Year	-	-	-	416,254	-	416,254
Total Regular Campaign	9,329,507	-	9,329,507	(38,849)	-	9,290,658
Annual Campaign: Designated	5,000	-	5,000	188,700	-	193,700
Other Campaigns	75,214	-	75,214	-	-	75,214
Friends of Holocaust Campaign	122,352	-	122,352	-	-	122,352
Friends of the Saul Brodsky Library Campaign	18,662	-	18,662	-	-	18,662
Less: Amounts Derived from Board-Controlled Funds	(564,757)	(1,522,952)	(2,087,709)	(25,000)	-	(2,112,709)
Net Campaigns	8,985,978	(1,522,952)	7,463,026	124,851	-	7,587,877
Contributions, Bequests and Gifts	305,418	3,296,358	3,601,776	652,685	490,134	4,744,595
Government Grants	93,106	-	93,106	-	-	93,106
United Way of Greater St. Louis, Inc.	173,951	-	173,951	-	-	173,951
Other Grants	123,434	-	123,434	-	-	123,434
Services to Beneficiary Agencies	171,870	-	171,870	-	-	171,870
Other Income	229,936	-	229,936	-	-	229,936
Excess of Assets Acquired and Liabilities Assumed in						
Donation of Central Agency for Jewish Education (Note 1)	(121,839)	112,210	(9,629)	286,335	243,711	520,417
Investment Income	(112,016)	2,631,252	2,519,236	584,464	-	3,103,700
Net Gain (Loss) on Investments	56,058	(3,903,005)	(3,846,947)	(1,996,216)	-	(5,843,163)
Change in Value of Split-Interest Agreements	-	-	-	(74,699)	-	(74,699)
Net Assets Released from Restrictions:						
Program	1,933,968	-	1,933,968	(1,933,968)	-	-
Other	962,028	-	962,028	(962,028)	-	-
Reclassification from Board and Donor Restricted Endowments, Net	2,390,611	(2,412,940)	(22,329)	22,329	-	-
Total Revenues, Gains, and Other Support	15,192,503	(1,799,077)	13,393,426	(3,296,247)	733,845	10,831,024
APPROPRIATIONS AND PROGRAM EXPENSES						
Appropriations:						
Unrestricted:						
Local Agencies	2,468,589	-	2,468,589	-	-	2,468,589
Israel and Overseas	2,092,721	-	2,092,721	-	-	2,092,721
National Agencies	116,422	-	116,422	-	-	116,422
Strategic Program Grants:						
Ensuring the Jewish Future	815,564	-	815,564	-	-	815,564
Caring for Jews in Need - Domestic	533,161	-	533,161	-	-	533,161
Caring for Jews in Need - Overseas	498,271	-	498,271	-	-	498,271
Community Engagement	149,175	-	149,175	-	-	149,175
Jewish Federation of North America - Dues	352,635	-	352,635	-	-	352,635
Reserve Fund	13,900	-	13,900	-	-	13,900
Endowment and Foundation Distributions:						
Beneficiary and Other Local Agencies	387,106	2,337,535	2,724,641	-	-	2,724,641
National Agencies	47,487	235,804	283,291	-	-	283,291
Distributions to Charitable Organizations	79,759	1,205,666	1,285,425	-	-	1,285,425
Other Campaigns	54,955	-	54,955	-	-	54,955
Total Appropriations	7,609,745	3,779,005	11,388,750	-	-	11,388,750
Other Program Expenses:						
Planning and Appropriations	1,051,709	-	1,051,709	-	-	1,051,709
Community Development	1,363,769	-	1,363,769	-	-	1,363,769
Holocaust Museum and Community Library	945,230	-	945,230	-	-	945,230
Total Program Expenses	3,360,708	-	3,360,708	-	-	3,360,708
Total Appropriations and Program Expenses	10,970,453	3,779,005	14,749,458	-	-	14,749,458
OPERATING EXPENSES						
Philanthropy	2,313,551	-	2,313,551	-	-	2,313,551
Marketing and Communications	875,831	-	875,831	-	-	875,831
Building Operations	308,289	-	308,289	-	-	308,289
Management and General	1,898,722	55,648	1,954,370	-	-	1,954,370
Total Operating Expenses	5,396,393	55,648	5,452,041	-	-	5,452,041
Total Appropriations and Expenses	16,366,846	3,834,653	20,201,499	-	-	20,201,499
Changes in Net Assets Before Pension Changes	(1,174,343)	(5,633,730)	(6,808,073)	(3,296,247)	733,845	(9,370,475)
Pension Related Change Other than						
Net Periodic Cost, Net Gain (Note 13)	289,312	-	289,312	-	-	289,312
Changes in Net Assets	(885,031)	(5,633,730)	(6,518,761)	(3,296,247)	733,845	(9,081,163)
Net Assets at Beginning of Year	(4,540,507)	79,834,098	75,293,591	22,802,283	22,574,968	120,670,842
Net Assets at End of Year	\$ (5,425,538)	\$ 74,200,368	\$ 68,774,830	\$ 19,506,036	\$ 23,308,813	\$ 111,589,679

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 Restricted for Subsequent Year	-	-	-	455,103	-	455,103
Pledges Received in the Prior Year	449,486	-	449,486	(449,486)	-	-
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 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 PROGRAM EXPENSES						
Appropriations:						
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
Other Program Expenses:						
Planning and Appropriations	1,185,145	-	1,185,145	-	-	1,185,145
Community Development	584,012	-	584,012	-	-	584,012
Holocaust Museum and Community Library	868,033	-	868,033	-	-	868,033
Total Program Expenses	2,637,190	-	2,637,190	-	-	2,637,190
Total Appropriations and Program Expenses	12,180,926	3,501,815	15,682,741	-	-	15,682,741
OPERATING EXPENSES						
Philanthropy	2,152,288	-	2,152,288	-	-	2,152,288
Marketing and Communications	798,369	-	798,369	-	-	798,369
Building Operations	371,936	-	371,936	-	-	371,936
Management and General	1,847,306	44,137	1,891,443	-	-	1,891,443
Total Operating Expenses	5,169,899	44,137	5,214,036	-	-	5,214,036
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 Loss	(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 STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (9,081,163)	\$ (2,873,202)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	300,476	304,332
Contributions Restricted for Long-Term Purposes	(490,134)	(982,145)
Contribution of Non-Cash Items	-	(3,000,000)
Excess of Assets Acquired Over Liabilities Assumed in Donation of Central Agency of Jewish Education	(520,417)	-
Pension Related Changes Other than Net Periodic Cost	(289,312)	884,078
Provision for Recovery of Uncollectible Receivables	154,000	95,000
Net Investment Loss	5,843,163	480,861
Amortization of Discount on Contribution Receivable	(113,801)	(105,241)
Amortization of Discount on Grants Payable	(35,628)	(2,091)
Change in Value of Split-Interest Agreements	74,699	39,890
Change in Assets and Liabilities:		
(Increase) Decrease in Receivables	(75,248)	166,556
Increase in Prepaid Expenses	(77,905)	(175,215)
Increase (Decrease) in Accounts Payable	(413,228)	478,273
Increase in Grants Payable	656,355	910,749
Increase in Accrued Expense	637,367	38,649
Increase (Decrease) in Obligations Under Split-Interest Agreements	(120,594)	53,139
Increase (Decrease) in Funds Held in Custody for Others	(1,898,983)	834,056
Net Cash Used by Operating Activities	(5,450,353)	(2,852,311)
CASH FLOWS FROM INVESTING ACTIVITIES		
Collections of Notes Receivable	3,284,540	8,296,802
Increase in Notes Receivable	-	(28,471)
Purchases of Building Improvements and Equipment	(422,676)	(47,258)
Excess of Assets Acquired Over Liabilities Assumed in Donation of Central Agency of Jewish Education	520,417	-
Purchase of Long-Term Investments	(22,976,731)	(26,053,092)
Proceeds from Sale of Long-Term Investments	23,188,440	32,502,564
Net Cash Provided by Investing Activities	3,593,990	14,670,545
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Note Payable and Line of Credit	713,521	-
Payments on Notes Payable and Line of Credit	(3,220,901)	(7,957,888)
Contributions Restricted for Long-Term Purposes	490,134	982,145
Other Financing Activities - Payments of Obligations under Split-Interest Agreements	(333,251)	(377,238)
Net Cash Used by Financing Activities	(2,350,497)	(7,352,981)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,206,860)	4,465,253
Cash and Cash Equivalents - Beginning	5,921,379	1,456,126
CASH AND CASH EQUIVALENTS - ENDING	\$ 1,714,519	\$ 5,921,379
SUPPLEMENTAL DISCLOSURE AND NONCASH TRANSACTIONS		
Interest Paid	\$ 367,627	\$ 529,806
Noncash Contributions	\$ -	\$ 3,000,000

See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

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, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (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 uses Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC 820), Fair Value Measurements, which establish a three-level fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The three levels of the fair value hierarchy under ASC 820 are described below:

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 market 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).

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.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$15,258,000 and \$14,417,000 at December 31, 2015 and 2014, respectively, are carried at the lower of cost or fair value. Cost for real estate limited partnership investments, if contributed, are 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. 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.

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.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 generally accepted accounting principles in the United States of America 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.

New Accounting Pronouncements

During the year ended December 31, 2015, the entity early adopted a provision of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2015-7, Fair Value Measurements – Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent). This provision eliminates the requirement for entities to report the fair value of investments held at a net asset value, as previously required by Accounting Standards Codification (ASC) 820. As such, the entity has omitted this disclosure for the years ended December 31, 2015 and 2014. The early adoption of this provision did not have an impact on the entity's financial position or changes in net assets.

In addition, during the year ended December 31, 2015, the entity early adopted a provision of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-01, Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities. This provision eliminates the requirement for entities, other than public business entities, to disclose the fair values of financial instruments carried at amortized cost, as previously required by Accounting Standards Codification (ASC) 825-10-50. As such, the entity has omitted this disclosure for the years ended December 31, 2015 and 2014. The early adoption of this provision did not have an impact on the entity's financial position or changes in net assets.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

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 June 7, 2016, the date the consolidated financial statements were available to be issued.

Reclassifications

Certain 2014 amounts have been reclassified to conform to the 2015 presentation. The reclassification had no effect on the prior year's reported change in net assets or net asset balances.

Acquisition

On July 1, 2015, the Federation acquired the Central Agency for Jewish Education (CAJE), a not-for-profit entity. The Federation assumed all assets and liabilities, which were recognized using the acquisition method (as required by accounting standards), and reported at fair value. In addition, the Federation assumed sponsorship of CAJE's frozen Defined Benefit Plan, its Defined Contribution Plan, and its 403(b) Plan as of July 1, 2015. The acquisition was an integration of CAJE's programmatic functions to align with the Federation's function as a community development organization.

The following information summarizes the fair values of the assets acquired and liabilities assumed recognized at the acquisition date.

Cash and Cash Equivalents	\$ 75,335
Current Receivables	31,405
Investments	701,622
Property and Equipment, net	127,348
Current Liabilities	(93,678)
Note Payable	(33,982)
Accrued Pension Costs	(287,633)
Total	<u>\$ 520,417</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Acquisition (Continued)

The excess of assets acquired over liabilities assumed were recognized into the following net asset classes:

Unrestricted Net Assets	\$ (9,629)
Temporarily Restricted Net Assets	286,335
Permanently Restricted Net Assets	<u>243,711</u>
Total Excess of Assets Acquired Over Liabilities Assumed:	<u><u>\$ 520,417</u></u>

CAJE's programmatic functions were integrated into the Federation's programs for the period July 1, 2015 through December 31, 2015, and are reported in the following category on the 2015 Consolidated Statement of Activities:

Program Expenses:	
Community Development	<u><u>\$ 429,553</u></u>

In addition, upon acquisition, amounts allocated through the annual Allocation Process to CAJE functions are now reported in the Federation's programmatic expenses, and are no longer reported as allocations in the consolidated statement of activities. The acquisition resulted in a reduction of Allocations to Local Agencies of \$653,942 and Ensuring the Jewish Future Strategic Program Grants of \$388,763.

NOTE 2 CAMPAIGN PLEDGES RECEIVABLE

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

	<u>2015</u>	<u>2014</u>
Annual	\$ 1,919,725	\$ 2,327,419
Israel Emergency Campaign	2,365	3,065
Operation Exodus	50,000	75,000
Passage to Freedom	15,000	15,000
Other	<u>353</u>	<u>536</u>
Total Campaign Pledges Receivables	1,987,443	2,421,020
Less: Allowance for Uncollectible Pledge Receivable	<u>(628,436)</u>	<u>(648,048)</u>
Campaign Pledge Receivables, Net of Allowance	<u><u>\$ 1,359,007</u></u>	<u><u>\$ 1,772,972</u></u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

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>2015</u>	<u>2014</u>
2016	\$ 71,696	\$ -
2015	899,640	13,932
2014	327,761	1,286,726
2013	128,322	395,796
2012	84,796	196,400
2011	54,608	80,013
2010 and Prior	352,902	354,552
Total Regular Campaign Pledge Receivable	<u>\$ 1,919,725</u>	<u>\$ 2,327,419</u>

As of December 31, 2015 and 2014, 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, contributions receivable expected to be collected in the future consisted of the following:

	<u>2015</u>	<u>2014</u>
Unrestricted	\$ 79,961	\$ 153,783
Permanently and Temporarily Restricted	7,055,996	7,083,058
Contributions Receivable before Unamortized Discount	7,135,957	7,236,841
Less: Unamortized Discounts from 3.66% to 6.05%	(2,942,750)	(3,056,551)
Net Contribution Receivable	<u>\$ 4,193,207</u>	<u>\$ 4,180,290</u>
	<u>2015</u>	<u>2014</u>
<u>Amounts Due in</u>		
2015		\$ 234,123
2016	\$ 133,796	-
2017	-	-
2018	-	-
2019	-	-
2020	-	-
2021	1,200,000	1,200,000
Thereafter	5,802,161	5,802,718
Total Contributions Receivable		
Before Unamortized Discounts	<u>\$ 7,135,957</u>	<u>\$ 7,236,841</u>

Included within contributions receivable are two beneficial interests in charitable remainder trusts carried at fair value of \$72,235 and \$69,967 at December 31, 2015 and 2014 respectively. Two contributions receivable constitute approximately 86% of net contributions receivable at December 31, 2015 and 2014.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

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.

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, 2015 and 2014 were approximately \$1.7 million and \$1.2 million, respectively, and the approximate amount of the pledges and contributions receivable due from board members were approximately \$58,000 and \$165,000 at December 31, 2015 and 2014, respectively. Additional net receivables resulting from long-term deferred gifts were approximately \$2.5 million at December 31, 2015 and 2014.

During the years ended December 31, 2015 and 2014, 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.

NOTE 5 BUILDING AND EQUIPMENT

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

	Estimated Useful Life in Years	2015	2014
Building - Building Improvements	45	\$ 3,099,518	\$ 2,963,532
Holocaust Museum - Building			
Improvements	33	666,249	666,249
Furniture, Fixtures, and Equipment	3-12	4,747,766	4,461,077
		<u>8,513,533</u>	<u>8,090,858</u>
Less: Accumulated Depreciation		5,651,370	5,350,895
Building and Equipment, Net		<u>\$ 2,862,163</u>	<u>\$ 2,739,963</u>

Depreciation expense was \$300,476 and \$304,332 for 2015 and 2014, respectively.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 6 NOTES RECEIVABLE

Notes receivable consist of the following:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>2015</u>	<u>2014</u>
Central Agency for Jewish Education	5.00%	None	\$ -	\$ 33,160
<p>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. Upon acquisition of CAJE July 1, 2015, the asset was offset by the liability assumed.</p>				
St. Louis Hillel at Washington University	5.00%	12/31/2017	60,950	91,429
<p>Unsecured note. Interest is due monthly; principal payments are due annually at a subscribed amount.</p>				
Saul Mirowitz Community School	5.00%	1/10/2015	19,953	19,953
<p>\$750,000 revolving line of credit. Accrued interest is added to the then outstanding principal and due upon maturity. On February 21, 2014 the principal of this loan was received in full. The remaining balance is accrued interest due.</p>				
Jewish Community Center	2.75%	3/31/2018	10,747,693	13,968,594
<p>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, the value of which exceeds the current outstanding balance of the note.</p>				
			<u>\$ 10,828,596</u>	<u>\$ 14,113,136</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

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.

Investments consist of the following at December 31:

	<u>2015</u>	<u>2014</u>
Cash Equivalents	\$ 7,690,637	\$ 8,824,691
Investments at Fair Value:		
Capital Preservation and US Government Obligations	2,036,061	2,430,107
State of Israel Bonds	886,500	911,500
Global Fixed Income	16,924,472	18,836,514
United States Equity	27,364,077	28,448,383
International Equity	23,776,485	23,368,361
Private Equity	7,537,210	8,700,885
Absolute Return Strategies	10,121,415	11,257,180
Commodities and Real Assets	10,678,662	10,363,641
Real Estate	5,165,732	5,965,251
Real Estate, at Cost	15,258,030	14,416,534
Cash Surrender Value of Life Insurance Policies	1,305,685	1,276,791
Other	34,007	34,007
Total Long-Term Investments	<u>\$ 128,778,973</u>	<u>\$ 134,833,845</u>

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

	<u>2015</u>	<u>2014</u>
Investment Income:		
Interest Income	\$ 3,194,438	\$ 3,309,245
Investment Advisor and Custodian Fees	(90,738)	(73,544)
Total Investment Income	<u>\$ 3,103,700</u>	<u>\$ 3,235,701</u>

NOTE 8 GRANTS PAYABLE

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

	<u>2015</u>	<u>2014</u>
Grants Payable	\$ 2,028,776	\$ 1,372,421
Less: Unamortized Discount	(133,070)	(97,442)
Net Grants Payable	<u>\$ 1,895,706</u>	<u>\$ 1,274,979</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 8 GRANTS PAYABLE (CONTINUED)

<u>Amounts Due in</u>	<u>2015</u>	<u>2014</u>
2015	\$ -	\$ 627,421
2016	723,776	150,000
2017	355,000	125,000
2018	335,000	95,000
2019	315,000	75,000
2020	75,000	75,000
Thereafter	225,000	225,000
Total Grants Payable Before Unamortized Discount	<u>\$ 2,028,776</u>	<u>\$ 1,372,421</u>

The discount rate used for new grants payable was 4.04% and 3.72% in 2015 and 2014, 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 4.04% and 3.72% at December 31, 2015 and 2014, respectively. Marketable securities valued at \$3,056,902 and \$3,793,028 at December 31, 2015 and 2014, respectively, were available to fund annuity obligations.

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 .43% at December 31, 2015 and such, the interest rate for the line of credit was 1.93%. The amounts outstanding at December 31, 2015 and 2014 were \$1,617,219 and \$903,698, respectively. The line of credit is due September 2016 if not renewed.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 11 NOTE PAYABLE

	<u>Interest Rate</u>	<u>2015</u>	<u>2014</u>
Note Payable - U.S. Bank	2.75%	\$ 10,747,693	\$ 13,968,594

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, 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, 2015 AND 2014

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 \$58,118 and \$37,112 in 2015 and 2014, 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 \$39,408 and \$14,503 in 2015 and 2014, 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 \$250,000 in 2016. On April 21, 2016 the Board of Directors of the Federation approved the freezing of benefit accruals for the Plan effective June 30, 2016.

The measurement dates used for the Plan disclosures are as of December 31, 2015 and 2014, and for the years then ended.

The changes in the projected benefit obligation are as follows:

	2015	2014
Projected Benefit Obligation at Beginning of Year	\$ 7,628,416	\$ 6,471,026
Increase (Decrease) During Year Attributable to:		
Services Cost	127,696	139,416
Interest Cost	288,880	310,301
Actuarial Changes Due to Assumption Change(s)	(212,879)	1,131,035
Other Actuarial (Gains) Losses	2,439	(236,115)
Benefits Disbursed	(117,165)	(187,247)
Settlement	(652,128)	-
Net Increase (Decrease) for Year	<u>(563,157)</u>	<u>1,157,390</u>
Projected Benefit Obligation at End of Year	<u>\$ 7,065,259</u>	<u>\$ 7,628,416</u>
Accumulated Benefit Obligation	<u>\$ 6,610,360</u>	<u>\$ 7,074,437</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 13 RETIREMENT PLAN (CONTINUED)

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

	<u>2015</u>	<u>2014</u>
Fair Value of Plan Assets Available for Benefits at Beginning of Year	\$ 4,914,224	\$ 4,735,656
Increase (Decrease) During Year Attributable to:		
Actual Return on Plan Assets	(45,120)	262,927
Employer Contributions	219,574	102,888
Benefits Paid	(117,165)	(187,247)
Settlement Paid	<u>(652,128)</u>	<u>-</u>
Net Increase for Year	<u>(594,839)</u>	<u>178,568</u>
Fair Value of Plan Assets Available for Benefits at End of Year	<u>\$ 4,319,385</u>	<u>\$ 4,914,224</u>

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

	<u>2015</u>	<u>2014</u>
Liability for Pension Benefits as of Beginning of Year	\$ (2,713,595)	\$ (1,736,341)
Net Periodic Pension Costs	(418,256)	(197,632)
Employer Contributions	219,574	102,888
Net Gain (Loss) in Unrestricted Net Assets	167,000	(882,510)
Liability for Pension Benefits at End of Year	<u>\$ (2,745,277)</u>	<u>\$ (2,713,595)</u>

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

	<u>2015</u>	<u>2014</u>
Service Costs, Benefit Earned During the Year	\$ 127,696	\$ 139,416
Interest on Projected Benefit Obligation	288,880	310,301
Expected Return on Plan Assets	(241,509)	(261,097)
Amortization of Net Actuarial Loss	110,247	9,012
Effect of Settlement	132,942	-
Net Cost	<u>\$ 418,256</u>	<u>\$ 197,632</u>

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

	<u>2015</u>	<u>2014</u>
Net Loss at Beginning of Year	\$ 1,607,332	\$ 723,255
Reclassified as Net Periodic Benefit Cost	(110,247)	(9,012)
Net Loss Arising During Period	76,189	893,089
Amount Recognized Due to Settlement	<u>(132,942)</u>	<u>-</u>
Net Loss at End of Year	<u>\$ 1,440,332</u>	<u>\$ 1,607,332</u>

In 2016, it is estimated that \$98,497 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, 2015 AND 2014

NOTE 13 RETIREMENT PLAN (CONTINUED)

Actuarial assumptions are as follows:

	<u>2015</u>	<u>2014</u>
Assumptions Used to Determine Year-End Benefit Obligation:		
Discount Rate	4.50%	3.95%
Rate of Increase in Compensation Levels	3.00%	3.00%
Assumptions Used to Determine Net Periodic Pension Costs:		
Discount Rate	3.95%	5.00%
Rate of Increase in Compensation Levels	3.00%	3.00%
Expected Long-Term Rate of Return on Assets	6.50%	6.75%

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>
2016	\$ 640,000
2017	960,000
2018	150,000
2019	230,000
2020	160,000
2021-2025	3,250,000

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

<u>Asset Category</u>	<u>Plan Assets</u>	
	<u>2015</u>	<u>2014</u>
Cash and Cash Equivalents	3.83 %	3.42 %
Fixed Income	46.45	45.89
Large U.S. Equity	29.79	30.94
Small/Mid U.S. Equity	9.94	10.34
International Equity	9.99	9.41
Total	<u>100.00 %</u>	<u>100.00 %</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

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.

	2015			
	Level 1	Level 2	Level 3	Total
Pension Plan Assets:				
Fixed Income	\$ -	\$ 2,006,144	\$ -	\$ 2,006,144
Large U.S. Equity	-	1,286,924	-	1,286,924
Small/Mid U.S. Equity	-	429,145	-	429,145
International Equity	-	431,683	-	431,683
Total	<u>\$ -</u>	<u>\$ 4,153,896</u>	<u>\$ -</u>	<u>\$ 4,153,896</u>

	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	<u>\$ -</u>	<u>\$ 4,746,172</u>	<u>\$ -</u>	<u>\$ 4,746,172</u>

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.

Retirement Plans – CAJE Acquisition

Defined Contribution Plans

On July 1, 2015, the Federation assumed sponsorship of the CAJE Defined Contribution Plan and its 403(b) Plan. Upon sponsorship the plans were amended to cease all employee and employer contributions. Both plans were terminated in April 2016.

Defined Benefit Plan

On July 1, 2015, the Federation assumed sponsorship of the defined benefit retirement plan (the Plan) covering all formerly CAJE eligible employees. The Plan's benefits are based primarily on years of service and average employee compensation near retirement. The plan was frozen for new entrants and future benefit accruals effective January 1, 2000. 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 \$40,000 in 2016.

The measurement dates used for the Plan disclosures are as of December 31, 2015, and for the six-month period then ended.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 13 RETIREMENT PLAN (CONTINUED)

The changes in the projected benefit obligation are as follows:

	2015
Projected Benefit Obligation at July 1, 2015	\$ 1,041,055
Increase (Decrease) During the 6 Months Attributable to:	
Services Cost	800
Interest Cost	15,506
Actuarial Changes Due to Assumption Change(s)	(163)
Other Actuarial Gains	(70,918)
Benefits Disbursed	(125,707)
Expense Charges	(800)
Net Decrease for 6 Month Period	(181,282)
Projected Benefit Obligation at End of Year	\$ 859,773
Accumulated Benefit Obligation	\$ 859,773

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

	2015
Fair Value of Plan Assets Available for Benefits at July 1, 2015	\$ 753,422
Increase (Decrease) During the 6 months Attributable to:	
Actual Return on Plan Assets	3,294
Employer Contributions	18,000
Benefits Paid	(126,507)
Net Decrease for Year	(105,213)
Fair Value of Plan Assets Available for Benefits at End of Year	\$ 648,209

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

	2015
Liability for Pension Benefits as of July 1, 2015	\$ (287,633)
Net Periodic Pension Costs	(62,303)
Employer Contributions	18,000
Settlement Loss	(1,940)
Net Gain in Unrestricted Net Assets	122,312
Liability for Pension Benefits at End of Year	\$ (211,564)

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 13 RETIREMENT PLAN (CONTINUED)

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

	2015
Service Costs, Benefit Earned During the 6 Month Period	\$ 800
Interest on Projected Benefit Obligation	15,506
Expected Return on Plan Assets	(16,956)
Amortization of Net Actuarial Loss	62,953
Effect of Settlement	1,940
Net Cost	\$ 64,243

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

	2015
Net Loss at July 1, 2015	\$ 135,582
Reclassified as net Periodic Benefit Cost	(62,953)
Amounts Arising During the 6 Month Period	(59,359)
Net Loss at End of Year	\$ 13,270

In calendar year 2016, it is estimated that \$-0- of unrecognized net loss will be reclassified as annual net periodic pension cost.

Actuarial assumptions are as follows:

	2015
Assumptions Used to Determine Year-End Benefit Obligation:	
Discount Rate	3.00%
Rate of Increase in Compensation Levels	0.00%
Assumptions Used to Determine Net Periodic Pension Costs:	
Discount Rate	3.00%
Expected Long-Term Rate of Return on Assets	4.50%
Rate of Increase in Compensation Levels	0.00%

The expected long-term return on plan assets assumption was selected using the “building block” approach described by the Actuarial Standards Board in Actuarial Standards of Practice No. 27 – Selection Economic Assumptions for Measuring Pension Obligations. A best estimate range was determined for both the real rate of return (net of inflation) and for inflation based on Jewish Federation of St. Louis’s historical 30-year period rolling averages. An average inflation rate within the range was selected.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 13 RETIREMENT PLAN (CONTINUED)

The following benefit payments which reflect expected future service, as appropriate, are expected to be paid as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2016	\$ 439,000
2017	16,000
2018	7,000
2019	69,000
2020	83,000
2021-2025	238,000

The Federation's pension plan asset allocations at December 31, 2015 by asset category are as follows:

<u>Asset Category</u>	<u>Plan Assets</u> <u>2015</u>
Cash Equivalent Guaranteed Investment Contract	100.00 %

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 2015 and 2014 was \$49,508.

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2016	\$ 50,454
2017	52,346
2018	52,346
2019	52,346
2020	52,346
Thereafter	34,897
Total	<u>\$ 294,735</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

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, 2015 and 2014.

	2015			Total
	Level 1	Level 2	Level 3	
Investments:				
Capital Preservation and				
U.S. Government Obligations	\$ 2,036,061	\$ -	\$ -	\$ 2,036,061
State of Israel Bonds	886,500	-	-	886,500
Global Fixed Income	14,127,839	-	-	14,127,839
United States Equity	22,156,465	-	-	22,156,465
International Equity	20,890,489	-	-	20,890,489
Absolute Return Strategies	35,474	-	-	35,474
Commodities and Real Assets	1,306,317	-	-	1,306,317
Real Estate	-	-	5,165,732	5,165,732
Total	<u>\$ 61,439,145</u>	<u>\$ -</u>	<u>\$ 5,165,732</u>	66,604,877
Investments Held at Net Asset				
Value or its Equivalent				37,885,737
Total				<u>\$ 104,490,614</u>
Beneficial Interest in Charitable				
Remainder Unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,235</u>	<u>\$ 72,235</u>
Split-Interest Obligations to				
Beneficiaries and Others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,285,743)</u>	<u>\$ (2,285,743)</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

	2014			Total
	Level 1	Level 2	Level 3	
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	-	-	16,380,240
United States Equity	22,576,386	-	-	22,576,386
International Equity	22,391,576	-	-	22,391,576
Commodities and Real Assets	1,807,596	-	-	1,807,596
Real Estate	-	-	5,965,251	5,965,251
Total	<u>\$ 66,497,405</u>	<u>\$ -</u>	<u>\$ 5,965,251</u>	<u>72,462,656</u>
Investments Held at Net Asset				
Value or its Equivalent				37,819,166
Total				<u>\$ 110,281,822</u>
Beneficial Interest in Charitable				
Remainder Unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,967</u>	<u>\$ 69,967</u>
Split-Interest Obligations to				
Beneficiaries and Others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,692,881)</u>	<u>\$ (2,692,881)</u>

Level 3 Assets and Liabilities

The following table provides a summary of changes in fair value of the Federation's Level 3 financial assets and liabilities by fair value category for the years ended December 31, 2015 and 2014:

	Real Estate	Beneficial Interest in Unitrust	Split-Interest Obligations to Beneficiaries and Others
January 1, 2014	\$ 12,878,576	\$ 64,450	\$ (2,979,516)
Purchases and Contributions	63,419	-	-
Sales	(7,315,952)	-	-
Distributions to Beneficiaries	-	-	377,238
Investment Income	-	-	(19,615)
Unrealized and Realized			
Gains and (Losses)	339,208	-	(31,098)
Change in Value	-	5,517	(39,890)
December 31, 2014	<u>5,965,251</u>	<u>69,967</u>	<u>(2,692,881)</u>
Purchases and Contributions	88,128	-	-
Distributions to Beneficiaries	-	-	333,251
Investment Income	-	-	(14,196)
Unrealized and Realized			
Gains and (Losses)	(887,647)	-	162,782
Change in Value	-	2,268	(74,699)
December 31, 2015	<u>\$ 5,165,732</u>	<u>\$ 72,235</u>	<u>\$ (2,285,743)</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a summary of the investments carried at net asset value or its equivalent and the related unfunded commitments and redemption restrictions associated with each major category at December 31:

	2015	2014	Unfunded Commitments at December 31, 2015	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Global Fixed Income	\$ 2,796,633	\$ 2,456,274	\$ 1,131,247	n/a	n/a
US Equity	1,531,078	2,197,553	-	Annually	60 days
US Equity	1,921,204	1,825,163	-	Semi-Annually	60 days
US Equity	1,755,330	1,849,281	-	Quarterly	60 days
International Equity	535	976,785	-	n/a	n/a
International Equity	1,375,748	-	-	Monthly	90 days
International Equity	1,509,713	-	-	Quarterly	60 days
Private Equity	7,537,210	8,700,885	689,247	n/a	n/a
Absolute Return	1,841,190	1,888,229	-	Annually	45-90 days
Absolute Return	6,041	-	-	n/a	n/a
Absolute Return	7,148,863	7,229,211	-	Quarterly	60-65 days
Absolute Return	1,089,847	2,139,740	-	Quarterly	45 days
Commodities	9,372,345	8,556,045	4,085,630	n/a	n/a
	<u>\$ 37,885,737</u>	<u>\$ 37,819,166</u>	<u>\$ 5,906,124</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.

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

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.

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, 2015 and 2014:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
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 Losses	<u>(3,139,831)</u>	<u>(2,487,867)</u>	-	<u>(5,627,698)</u>
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	<u>(4,477,186)</u>	<u>(2,332,349)</u>	-	<u>(6,809,535)</u>
Endowment Net Assets, December 31, 2014	44,122,898	20,358,133	22,574,968	87,055,999
Earnings:				
Interest and Dividends, Net of Fees	1,012,497	584,464	-	1,596,961
Realized Gains	660,829	608,842	-	1,269,671
Unrealized Losses	<u>(2,975,775)</u>	<u>(2,605,058)</u>	-	<u>(5,580,833)</u>
Total Investment Returns	(1,302,449)	(1,411,752)	-	(2,714,201)
Contributions	3,306,931	309,680	733,845	4,350,456
Appropriations for Expenditure	<u>(4,354,102)</u>	<u>(2,043,644)</u>	-	<u>(6,397,746)</u>
Endowment Net Assets, December 31, 2015	<u>\$ 41,773,278</u>	<u>\$ 17,212,417</u>	<u>\$ 23,308,813</u>	<u>\$ 82,294,508</u>

JEWISH FEDERATION OF ST. LOUIS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 16 ENDOWMENT (CONTINUED)

	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>
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Fund Net Assets by Type of Fund as of December 31, 2015:				
Donor-Restricted Endowment Funds	\$ -	\$ 6,532,951	\$ 23,308,813	\$ 29,841,764
Board Restricted Endowment Funds	41,773,278	10,679,466	-	52,452,744
Total Endowment Funds	<u>\$ 41,773,278</u>	<u>\$ 17,212,417</u>	<u>\$ 23,308,813</u>	<u>\$ 82,294,508</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 consist of the following:

	Temporarily Restricted		Permanently Restricted	
	2015	2014	2015	2014
Gifts and Other Unexpected Revenues and Grants Available for:				
Acquisition of Building and Equipment	\$ 136,923	\$ 136,923	\$ -	\$ -
Pledges Restricted for Subsequent Year	416,254	659,203	-	-
Other Time and Purpose Restricted Funds	18,181,699	21,168,083	23,308,813	22,574,968
Donor Annuities	771,160	838,074	-	-
Total Donor Restricted Net Assets	<u>\$ 19,506,036</u>	<u>\$ 22,802,283</u>	<u>\$ 23,308,813</u>	<u>\$ 22,574,968</u>

**JEWISH FEDERATION OF ST. LOUIS
APPROPRIATIONS TO BENEFICIARY AND OTHER AGENCIES
YEARS ENDED DECEMBER 31, 2015**

	2015		2014	
	Unrestricted Allocation	Strategic Program Grants	Unrestricted Allocation	Strategic Program Grants
Amir	\$ -	\$ 40,130	\$ -	\$ -
Anti-Defamation League	-	200	-	8,450
B'nai B'rith Hillel Foundation	167,042	56,466	167,042	44,720
Central Agency for Jewish Education of St. Louis	-	(2,274)	653,942	427,840
Chabad on Campus	-	36,992	-	32,600
Community Aging Corporation	69,887	-	69,887	-
Congregations	-	42,000	-	43,000
Day School Funding Pool:				
Bais Yaakov	18,750	-	-	-
H. F. Epstein Hebrew Academy	109,545	-	92,000	-
Saul Mirowitz Community Day School	178,000	16,000	249,500	-
Torah Prep School	186,500	-	196,000	-
RAVSAK	13,728	-	-	36,549
The Gladys & Henry Crown Center for				
Senior Living	-	67,650	-	66,402
Inclusion Mini Grants	-	48,492	-	-
Interfaith Mission	-	-	-	18,800
Internship Program	-	22,144	-	7,134
Innovation Grants	-	41,184	-	7,070
Jewish Community Center	991,405	425,638	991,405	206,950
Jewish Community Relations Council	285,055	1,500	285,055	-
Jewish Family and Children's Services	329,603	210,381	329,603	237,885
Jewish Federations of North America:				
Domestic Agencies	-	240,797	-	261,597
Overseas Agencies	-	612,371	-	582,225
Jewish Student Union	-	33,000	-	33,000
MERS/ Goodwill Industries	41,904	-	41,904	-
Next Dor	-	55,000	-	10,000
Nishmah	-	-	-	7,000
Sherut Leumi	-	30,000	-	30,000
St. Louis Jewish Light	77,170	3,500	77,170	-
St. Louis Kollel	-	15,000	-	-
	<u>\$ 2,468,589</u>	<u>\$ 1,996,171</u>	<u>\$ 3,153,508</u>	<u>\$ 2,061,222</u>

JEWISH FEDERATION OF ST. LOUIS
SCHEDULE OF FUNCTIONAL EXPENSES EXCLUDING ALLOCATIONS
YEAR ENDED DECEMBER 31, 2015

Year ended December 31, 2015	Other Program Expenses			Operating Expenses					2015 Total
	Planning & Allocation	Community Development	Holocaust Museum/ Community Library	Philanthropy	Marketing & Communication	Building Operations	Management and general	Board Controlled	
Salary	\$ 509,435	\$ 634,187	\$ 274,927	\$ 1,189,781	\$ 316,547	\$ 154,832	\$ 595,095	\$ -	\$ 3,674,804
Medical and dental	52,240	67,787	38,872	129,566	44,184	31,997	50,135	-	414,781
Retirement expenses (defined benefit plan)	90,516	106,018	66,596	125,175	15,214	32,777	43,670	-	479,966
Retirement expenses (defined contribution plan)	11,682	33,806	5,658	27,037	3,442	2,045	13,856	-	97,526
Payroll taxes	30,884	47,752	20,672	75,979	20,854	10,050	40,528	-	246,719
Total Compensation	694,757	889,550	406,725	1,547,538	400,241	231,701	743,284	-	4,913,796
Legal Fees	-	665	630	21,152	-	315	58,643	22,185	103,590
Audit and accounting services	-	5,000	32,000	-	-	-	53,038	31,683	121,721
Consultants	168,360	169,484	8,705	78,067	184,699	4,553	120,272	-	734,140
IT Intercompany	-	-	18,217	-	-	-	-	-	18,217
Indep contractors and temporary staff	-	16,207	447	32,193	11,066	58,391	13,111	-	131,415
IT consulting support	4,750	48	-	164,500	400	-	127,779	-	297,477
Administrative fees	-	-	-	-	-	-	2,628	25	2,653
Conferences	9,169	9,429	16,642	10,741	240	-	30,617	-	76,838
Local and annual meeting expenses	12,782	45,105	103,193	189,694	5,348	26	38,134	1,303	395,585
Missions	103,284	-	-	35,901	-	-	2,768	-	141,953
Travel	1,542	12,674	5,186	2,646	118	573	6,455	-	29,194
Supplies	4,242	3,265	32,281	12,093	2,253	27,653	23,664	255	105,706
Equipment and IT support, licenses and maintenance	-	1,246	7,437	-	8,452	30,253	31,219	-	78,607
Printing and promotions	6,715	31,798	82,449	34,287	231,866	47	25,930	-	413,092
Books, publications and subscriptions	5,700	29,281	1,726	2,107	1,450	100	10,079	-	50,443
Awards, grants and scholarships	195	47,451	3,942	6,281	4,935	-	5,495	-	68,299
Telephone	795	846	-	-	-	23,695	3,945	-	29,281
Postage and shipping	416	5,649	7,729	15,514	9,283	(12)	8,217	50	46,846
Utilities	-	-	-	-	-	66,699	-	-	66,699
Building and ground maintenance	-	-	8,392	-	-	132,098	-	-	140,490
Occupancy	24,981	74,058	189,500	99,921	36,669	49,508	39,886	-	514,523
Liability insurance	-	6,423	-	-	10,239	16,413	38,695	-	71,770
Miscellaneous	-	24	128	443	-	-	21,069	147	21,811
Interest expense	-	-	-	-	-	-	367,627	-	367,627
Brokerage costs	-	-	-	4,514	-	-	-	-	4,514
Intercompany charges	-	-	-	-	(52,140)	(485,657)	(50,217)	-	(588,014)
Total Operating Expenses	1,037,688	1,348,203	925,329	2,257,592	855,119	156,356	1,722,338	55,648	8,358,273
Depreciation	14,021	15,566	19,901	55,959	20,712	151,933	22,384	-	300,476
Provision for uncollectible pledges	-	-	-	-	-	-	154,000	-	154,000
Total Functional Expenses	\$ 1,051,709	\$ 1,363,769	\$ 945,230	\$ 2,313,551	\$ 875,831	\$ 308,289	\$ 1,898,722	\$ 55,648	\$ 8,812,749

JEWISH FEDERATION OF ST. LOUIS
SCHEDULE OF FUNCTIONAL EXPENSES EXCLUDING ALLOCATIONS
YEAR ENDED DECEMBER 31, 2014

Year ended December 31, 2014	Other Program Expenses			Operating Expenses					2014 Total
	Planning & Allocation	Community Development	Holocaust Museum/ Community Library	Philanthropy	Marketing & Communication	Building Operations	Manage- ment and general	Board Controlled	
Salary	\$ 587,825	\$ 264,470	\$ 310,588	\$ 1,225,419	\$ 317,589	\$ 217,398	\$ 476,702	\$ -	\$ 3,399,991
Medical and dental	67,909	28,623	47,820	146,594	39,801	35,016	64,030	-	429,793
Retirement expenses (defined benefit plan)	48,940	21,334	33,755	58,940	6,121	16,161	21,234	-	206,485
Retirement expenses (defined contribution plan)	9,605	5,969	3,771	20,249	3,227	1,340	7,454	-	51,615
Payroll taxes	39,327	20,280	23,493	91,540	26,785	11,431	33,699	-	246,555
Total Compensation	753,606	340,676	419,427	1,542,742	393,523	281,346	603,119	-	4,334,439
Legal Fees	-	-	-	37,643	-	-	87,413	8,336	133,392
Audit and accounting services	-	-	32,000	-	-	-	60,554	34,993	127,547
Consultants	323,293	91,898	13,353	96,145	139,794	300	197,324	-	862,107
IT Intercompany	-	-	21,001	-	-	-	-	-	21,001
Indep contractors and temporary staff	-	-	-	396	14,260	-	20,911	-	35,567
IT consulting support	4,750	-	-	83,167	-	-	10,551	-	98,468
Administrative fees	-	50	-	-	-	-	16,990	60	17,100
Conferences	23,370	11,625	15,212	15,202	466	-	22,346	-	88,221
Local and annual meeting expenses	7,260	49,370	41,744	62,334	1,191	20	32,662	320	194,901
Missions	5,055	3,324	-	108,014	-	-	(1,315)	-	115,078
Travel	1,283	3,997	4,521	1,222	102	743	6,238	-	18,106
Supplies	3,882	6,351	15,189	8,335	4,317	22,214	27,966	97	88,351
Equipment and IT support, licenses and maintenance	-	-	6,171	310	434	20,310	11,889	-	39,114
Printing and promotions	9,641	20,186	68,379	25,831	212,780	-	38,844	171	375,832
Books, publications and subscriptions	2,045	934	1,363	3,335	15,353	567	12,051	-	35,648
Awards, grants and scholarships	42	3,227	4,325	16,771	4,569	-	7,320	-	36,254
Telephone	805	520	-	-	-	21,751	5,220	-	28,296
Postage and shipping	3,102	4,647	7,879	12,730	6,774	12	4,746	35	39,925
Utilities	-	-	-	-	-	70,612	-	-	70,612
Building and ground maintenance	-	-	8,077	-	-	137,974	-	-	146,051
Occupancy	30,207	26,164	180,179	79,646	25,780	49,508	30,596	-	422,080
Liability insurance	-	-	-	-	7,512	16,282	43,524	-	67,318
Miscellaneous	-	-	193	-	-	-	15,195	125	15,513
Interest expense	-	-	-	-	-	-	529,806	-	529,806
Brokerage costs	-	-	-	12,969	-	-	-	-	12,969
Intercompany charges	-	-	-	-	(52,140)	(395,761)	(53,901)	-	(501,802)
Total Operating Expenses	1,168,341	562,969	839,013	2,106,792	774,715	225,878	1,730,049	44,137	7,451,894
Depreciation	16,804	21,043	29,020	45,496	23,654	146,058	22,257	-	304,332
Provision for uncollectible pledges	-	-	-	-	-	-	95,000	-	95,000
Total Functional Expenses	\$ 1,185,145	\$ 584,012	\$ 868,033	\$ 2,152,288	\$ 798,369	\$ 371,936	\$ 1,847,306	\$ 44,137	\$ 7,851,226

**JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2015**

	Jewish Federation of St. Louis	Supporting Foundations	Total Before Eliminations	Eliminations	Consolidated Total
ASSETS					
Cash and Cash Equivalents	\$ 1,343,925	\$ 370,594	\$ 1,714,519	\$ -	\$ 1,714,519
Receivables:					
Campaign Pledges, Net of Allowance	1,359,007	-	1,359,007	-	1,359,007
Beneficiary Agencies, Net of Allowance	-	-	-	-	-
Accrued Interest	26,578	-	26,578	-	26,578
Other	718,303	23,710	742,013	-	742,013
Prepaid Expenses	351,927	-	351,927	-	351,927
Building and Equipment, Net	2,862,163	-	2,862,163	-	2,862,163
Notes Receivable	10,828,596	-	10,828,596	-	10,828,596
Contributions Receivable, Net	1,433,470	2,759,737	4,193,207	-	4,193,207
Long-Term Investments	96,100,576	32,678,397	128,778,973	-	128,778,973
	<u>\$ 115,024,545</u>	<u>\$ 35,832,438</u>	<u>\$ 150,856,983</u>	<u>\$ -</u>	<u>\$ 150,856,983</u>
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts Payable:					
Beneficiary Agencies	\$ 1,891,408	\$ -	\$ 1,891,408	\$ -	\$ 1,891,408
The Jewish Federations of North America	672,506	-	672,506	-	672,506
Other Campaigns	23,054	-	23,054	-	23,054
Other	451,024	-	451,024	-	451,024
Grants Payable	524,490	1,371,216	1,895,706	-	1,895,706
Accrued Expense	557,470	-	557,470	-	557,470
Accrued Pension Obligation	2,956,841	-	2,956,841	-	2,956,841
Obligations to Beneficiaries Under					
Split-Interest Agreements	1,930,534	-	1,930,534	-	1,930,534
Line of Credit	1,617,219	-	1,617,219	-	1,617,219
Note Payable	10,747,693	-	10,747,693	-	10,747,693
Funds Held in Custody for Others:					
Pooled Investments	14,615,555	-	14,615,555	-	14,615,555
Split-Interest Agreements	355,209	-	355,209	-	355,209
Passport to Israel	648,611	-	648,611	-	648,611
Other	904,474	-	904,474	-	904,474
Total Liabilities	<u>37,896,088</u>	<u>1,371,216</u>	<u>39,267,304</u>	<u>-</u>	<u>39,267,304</u>
NET ASSETS					
Unrestricted:					
Undesignated:					
Net Investment in Building and Equipment	2,862,163	-	2,862,163	-	2,862,163
Undesignated	(8,287,702)	-	(8,287,702)	-	(8,287,702)
Board-Controlled Endowments and Other:					
Philanthropic Funds	7,243,666	-	7,243,666	-	7,243,666
Board Designated as Endowment	8,349,536	-	8,349,536	-	8,349,536
Board Designated as Future Use	27,540,373	26,810	27,567,183	-	27,567,183
Other	-	31,039,984	31,039,984	-	31,039,984
Total Unrestricted	<u>37,708,036</u>	<u>31,066,794</u>	<u>68,774,830</u>	<u>-</u>	<u>68,774,830</u>
Restricted:					
Temporarily	19,506,036	-	19,506,036	-	19,506,036
Permanently	19,914,385	3,394,428	23,308,813	-	23,308,813
Total Net Assets	<u>77,128,457</u>	<u>34,461,222</u>	<u>111,589,679</u>	<u>-</u>	<u>111,589,679</u>
Total Liabilities and Net Assets	<u>\$ 115,024,545</u>	<u>\$ 35,832,438</u>	<u>\$ 150,856,983</u>	<u>\$ -</u>	<u>\$ 150,856,983</u>

**JEWISH FEDERATION OF ST. LOUIS
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015**

	Jewish Federation of St. Louis				Supporting Foundations			Eliminating Entries	Consolidated Total			
	Unrestricted	Restricted		Total	Unrestricted	Permanently Restricted	Total		Unrestricted	Restricted		Total
		Temporarily	Permanently						Temporarily	Permanently		
REVENUES, GAINS, AND OTHER SUPPORT												
Pledges:												
Regular Campaign:												
Pledges Received in the Current Year	\$ 8,874,404	\$ -	\$ -	\$ 8,874,404	\$ -	\$ -	\$ -	\$ -	\$ 8,874,404	\$ -	\$ -	\$ 8,874,404
Pledges Received in the Prior Year	455,103	(455,103)	-	-	-	-	-	-	455,103	(455,103)	-	-
Pledges Restricted for Subsequent Year	-	416,254	-	416,254	-	-	-	-	416,254	-	-	416,254
Total Regular Campaign	9,329,507	(38,849)	-	9,290,658	-	-	-	-	9,329,507	(38,849)	-	9,290,658
Annual Campaign: Designated	5,000	188,700	-	193,700	-	-	-	-	5,000	188,700	-	193,700
Total Annual Campaign	9,334,507	149,851	-	9,484,358	-	-	-	-	9,334,507	149,851	-	9,484,358
Other Campaigns	75,214	-	-	75,214	-	-	-	-	75,214	-	-	75,214
Friends of Holocaust Campaign	122,352	-	-	122,352	-	-	-	-	122,352	-	-	122,352
Friends of the Saul Brodsky Library Campaign	18,662	-	-	18,662	-	-	-	-	18,662	-	-	18,662
Less: Amounts Derived from Board-Controlled Funds	(1,226,235)	(25,000)	-	(1,251,235)	(861,474)	-	(861,474)	-	(2,087,709)	(25,000)	-	(2,112,709)
Net Campaigns	8,324,500	124,851	-	8,449,351	(861,474)	-	(861,474)	-	7,463,026	124,851	-	7,587,877
Contributions, Bequests and Gifts	3,495,061	652,685	397,832	4,545,578	106,715	92,302	199,017	-	3,601,776	652,685	490,134	4,744,595
Government Grants	93,106	-	-	93,106	-	-	-	-	93,106	-	-	93,106
United Way of Greater St. Louis, Inc.	173,951	-	-	173,951	-	-	-	-	173,951	-	-	173,951
Other Grants	123,434	-	-	123,434	-	-	-	-	123,434	-	-	123,434
Services to Beneficiary Agencies	171,870	-	-	171,870	-	-	-	-	171,870	-	-	171,870
Other Income	229,936	-	-	229,936	-	-	-	-	229,936	-	-	229,936
Excess of Assets Acquired and Liabilities Assumed in Donation of Central Agency for Jewish Education	(9,629)	286,335	243,711	520,417	-	-	-	-	-	-	-	-
Investment Income	900,259	584,464	-	1,484,723	1,618,977	-	1,618,977	-	2,519,236	584,464	-	3,103,700
Net Gain on Investments	(2,257,512)	(1,996,216)	-	(4,253,728)	(1,589,435)	-	(1,589,435)	-	(3,846,947)	(1,996,216)	-	(5,843,163)
Change in Value of Split-Interest Agreements	-	(74,699)	-	(74,699)	-	-	-	-	-	(74,699)	-	(74,699)
Net Assets Released from Restrictions:												
Program	1,933,968	(1,933,968)	26,388	26,388	-	(26,388)	(26,388)	-	1,933,968	(1,933,968)	-	-
Other	962,028	(962,028)	-	-	-	-	-	-	962,028	(962,028)	-	-
Reclassification from Board-Controlled Endowments, Net	(4,429)	22,329	-	17,900	(17,900)	-	(17,900)	-	(22,329)	22,329	-	-
Total Revenues, Gains, and Other Support	14,136,543	(3,296,247)	667,931	11,508,227	(743,117)	65,914	(677,203)	-	13,403,055	(3,582,582)	490,134	10,310,607
APPROPRIATIONS AND PROGRAM EXPENSES												
Appropriations:												
Unrestricted:												
Local Agencies	2,468,589	-	-	2,468,589	-	-	-	-	2,468,589	-	-	2,468,589
Israel and Overseas	2,092,721	-	-	2,092,721	-	-	-	-	2,092,721	-	-	2,092,721
National Agencies	116,422	-	-	116,422	-	-	-	-	116,422	-	-	116,422
Strategic Program Grants:												
Ensuring the Jewish Future	815,564	-	-	815,564	-	-	-	-	815,564	-	-	815,564
Caring for Jews in Need - Domestic	533,161	-	-	533,161	-	-	-	-	533,161	-	-	533,161
Caring for Jews in Need - Overseas	498,271	-	-	498,271	-	-	-	-	498,271	-	-	498,271
Community Engagement	149,175	-	-	149,175	-	-	-	-	149,175	-	-	149,175
Jewish Federation of North America - Dues	352,635	-	-	352,635	-	-	-	-	352,635	-	-	352,635
Reserve Fund	13,900	-	-	13,900	-	-	-	-	13,900	-	-	13,900
Endowment and Foundation Distributions:												
Beneficiary and Other Local Agencies	952,134	-	-	952,134	1,772,507	-	1,772,507	-	2,724,641	-	-	2,724,641
National Agencies	224,491	-	-	224,491	58,800	-	58,800	-	283,291	-	-	283,291
Distributions to Charitable Organizations	630,711	-	-	630,711	654,714	-	654,714	-	1,285,425	-	-	1,285,425
Other Campaigns	54,955	-	-	54,955	-	-	-	-	54,955	-	-	54,955
Other Program Expenses												
Planning and Appropriations	1,051,709	-	-	1,051,709	-	-	-	-	1,051,709	-	-	1,051,709
Community Development	1,363,769	-	-	1,363,769	-	-	-	-	1,363,769	-	-	1,363,769
Holocaust Museum and Community Library	945,230	-	-	945,230	-	-	-	-	945,230	-	-	945,230
Total Appropriations and Program Expenses	12,263,437	-	-	12,263,437	2,486,021	-	2,486,021	-	14,749,458	-	-	14,749,458
OPERATING EXPENSES												
Philanthropy	2,313,551	-	-	2,313,551	-	-	-	-	2,313,551	-	-	2,313,551
Marketing and Communications	875,831	-	-	875,831	-	-	-	-	875,831	-	-	875,831
Building Operations	308,289	-	-	308,289	-	-	-	-	308,289	-	-	308,289
Management and General	1,903,322	-	-	1,903,322	51,048	-	51,048	-	1,954,370	-	-	1,954,370
Total Operating Expenses	5,400,993	-	-	5,400,993	51,048	-	51,048	-	5,452,041	-	-	5,452,041
Total Appropriations and Expenses	17,664,430	-	-	17,664,430	2,537,069	-	2,537,069	-	20,201,499	-	-	20,201,499
Changes in Net Assets Before Pension Changes	(3,527,887)	(3,296,247)	667,931	(6,156,203)	(3,280,186)	65,914	(3,214,272)	-	(6,808,073)	(3,296,247)	733,845	(9,370,475)
Pension Related Change Other than Net Periodic Cost, Net Loss	289,312	-	-	289,312	-	-	-	-	289,312	-	-	289,312
Changes in Net Assets	(3,238,575)	(3,296,247)	667,931	(5,866,891)	(3,280,186)	65,914	(3,214,272)	-	(6,518,761)	(3,296,247)	733,845	(9,081,163)
Net Assets at Beginning 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	120,670,842
Net Assets at End of Year	\$ 37,708,036	\$ 19,506,036	\$ 19,914,385	\$ 77,128,457	\$ 31,066,794	\$ 3,394,428	\$ 34,461,222	\$ -	\$ 68,774,830	\$ 19,506,036	\$ 23,308,813	\$ 111,589,679