Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ **Do not enter social security numbers on this form as it may be made public.**
▶ **Information about Form 990-PF and its instructions is at *www.irs.gov/form990pf*.**

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016, or tax year beginning 01-01-2016 , and ending 12-31-2016

Name of foundation
JA WEDUM FOUNDATION

A Employer identification number
41-6025661

Number and street (or P O box number if mail is not delivered to street address)
2615 UNIVERSITY AVE SE

Room/suite

B Telephone number (see instructions)
(612) 789-3363

City or town, state or province, country, and ZIP or foreign postal code
MINNEAPOLIS, MN 554143205

C If exemption application is pending, check here ▶ ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)*▶$ 180,256,733

J Accounting method ☐ Cash ☑ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	1,000			
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	425,241	425,241		
	4	Dividends and interest from securities				
	5a	Gross rents	68,471	68,471		
	b	Net rental income or (loss) 12,613				
	6a	Net gain or (loss) from sale of assets not on line 10	-97,355			
	b	Gross sales price for all assets on line 6a 1,069,677				
	7	Capital gain net income (from Part IV, line 2)				
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	34,922,841		34,922,841	
	12	**Total.** Add lines 1 through 11	35,320,198	493,712	34,922,841	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	339,639			
	14	Other employee salaries and wages	136,244			
	15	Pension plans, employee benefits	21,241			
	16a	Legal fees (attach schedule)	9,703			
	b	Accounting fees (attach schedule)	6,335			
	c	Other professional fees (attach schedule)	134,148			
	17	Interest	4,332,328		4,332,328	
	18	Taxes (attach schedule) (see instructions)				
	19	Depreciation (attach schedule) and depletion	3,628,274		3,628,274	
	20	Occupancy	18,579,852	55,858	18,491,981	
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	2,561,965		2,482,197	
	24	**Total operating and administrative expenses.** Add lines 13 through 23	29,749,729	55,858	28,934,780	0
	25	Contributions, gifts, grants paid	856,072			856,072
	26	**Total expenses and disbursements.** Add lines 24 and 25	30,605,801	55,858	28,934,780	856,072
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	4,714,397			
	b	**Net investment income** (if negative, enter -0-)		437,854		
	c	**Adjusted net income**(if negative, enter -0-)			5,988,061	

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets				
1	Cash—non-interest-bearing			
2	Savings and temporary cash investments	10,051,234	10,036,071	10,036,701
3	Accounts receivable ▶ 1,803,370 Less allowance for doubtful accounts ▶	1,863,452	1,803,370	1,803,370
4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges	229,792	229,944	229,944
10a	Investments—U S and state government obligations (attach schedule)			
b	Investments—corporate stock (attach schedule)	13,465,541	16,268,657	19,832,782
c	Investments—corporate bonds (attach schedule)	933,898	985,578	1,003,969
11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
12	Investments—mortgage loans			
13	Investments—other (attach schedule)	158,342	155,633	
14	Land, buildings, and equipment basis ▶ 131,529,857 Less accumulated depreciation (attach schedule) ▶ 46,503,901	86,945,309	85,025,956	131,529,857
15	Other assets (describe ▶)	15,792,610	15,820,110	15,820,110
16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	129,440,178	130,325,319	180,256,733
Liabilities				
17	Accounts payable and accrued expenses	1,558,191	1,605,196	
18	Grants payable	351,000		
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)	108,125,681	104,397,240	
22	Other liabilities (describe ▶)	2,536,197	2,690,347	
23	**Total liabilities**(add lines 17 through 22)	112,571,069	108,692,783	
Net Assets or Fund Balances				
	Foundations that follow SFAS 117, check here ▶ ☑ and complete lines 24 through 26 and lines 30 and 31.			
24	Unrestricted	16,869,109	21,632,536	
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see instructions)	16,869,109	21,632,536	
31	**Total liabilities and net assets/fund balances** (see instructions)	129,440,178	130,325,319	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	16,869,109
2	Enter amount from Part I, line 27a	2	4,714,397
3	Other increases not included in line 2 (itemize) ▶	3	49,030
4	Add lines 1, 2, and 3	4	21,632,536
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	21,632,536

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a			

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 } 2

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 3

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	1,237,395	23,394,963	0 052892
2014	2,365,252	21,796,497	0 108515
2013	1,438,131	18,111,308	0 079405
2012	1,204,378	14,606,317	0 082456
2011	1,054,772	12,033,316	0 087654

2 **Total** of line 1, column (d)	2	0 410922
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 082184
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	28,501,801
5 Multiply line 4 by line 3	5	2,342,392
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,379
7 Add lines 5 and 6	7	2,346,771
8 Enter qualifying distributions from Part XII, line 4 , ...	8	856,072

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ________ **(attach copy of letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	8,757
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	
3	Add lines 1 and 2.			3	8,757
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	8,757
6	Credits/Payments				
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	8,040		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d.			7	8,040
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	717
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶	**Refunded** ▶		11	

Part VII-A **Statements Regarding Activities**

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)? *If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*	1b		No
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶MN			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶WWW WEDUMFOUNDATION ORG

14 The books are in care of ▶JAY PORTZ Telephone no ▶(612) 789-3363

Located at ▶2537 UNIVERSITY AVE SE MINNEAPOLIS MN ZIP+4 ▶55414

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

			Yes	No
16	At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶			

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

	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?		1c		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? If "Yes," list the years ▶ 20____, 20____, 20____, 20____	☐ Yes ☑ No			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)		2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2016 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016).*		3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?		4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53 4945–5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		No
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

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

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

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
KELLIE TESCH 2615 UNIVERSITY AVE SE MINNEAPOLIS, MN 55414	OFFICE ADMIN 40 00	135,441		

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

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
Total number of others receiving over $50,000 for professional services. . . . . ▶		

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 . . . . ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	18,735,198
b	Average of monthly cash balances.	1b	10,043,653
c	Fair market value of all other assets (see instructions).	1c	156,988
d	**Total** (add lines 1a, b, and c).	1d	28,935,839
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation). 1e		
2	Acquisition indebtedness applicable to line 1 assets.	2	
3	Subtract line 2 from line 1d.	3	28,935,839
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	434,038
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	28,501,801
6	**Minimum investment return.** Enter 5% of line 5.	6	1,425,090

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

1	Minimum investment return from Part X, line 6.			1	1,425,090
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	8,757		
b	Income tax for 2016 (This does not include the tax from Part VI).	2b			
c	Add lines 2a and 2b.			2c	8,757
3	Distributable amount before adjustments Subtract line 2c from line 1.			3	1,416,333
4	Recoveries of amounts treated as qualifying distributions.			4	
5	Add lines 3 and 4.			5	1,416,333
6	Deduction from distributable amount (see instructions).			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.			7	1,416,333

Part XII **Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26.	1a	856,072
b	Program-related investments—total from Part IX-B.	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	856,072
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions).	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4.	6	856,072

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII **Undistributed Income** (see instructions)

		(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7					1,416,333
2 Undistributed income, if any, as of the end of 2016					
a Enter amount for 2015 only.					
b Total for prior years 20____, 20____, 20____					
3 Excess distributions carryover, if any, to 2016					
a From 2011.	456,804				
b From 2012.	480,079				
c From 2013.	539,406				
d From 2014.	1,281,417				
e From 2015.	75,687				
f Total of lines 3a through e.		2,833,393			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 856,072					
a Applied to 2015, but not more than line 2a					
b Applied to undistributed income of prior years (Election required—see instructions).					
c Treated as distributions out of corpus (Election required—see instructions).					
d Applied to 2016 distributable amount.					856,072
e Remaining amount distributed out of corpus					
5 Excess distributions carryover applied to 2016 *(If an amount appears in column (d), the same amount must be shown in column (a))*		560,261			560,261
6 Enter the net total of each column as indicated below:					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		2,273,132			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.					
d Subtract line 6c from line 6b Taxable amount —see instructions					
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions					
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017					0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)					
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions) . . .					
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a		2,273,132			
10 Analysis of line 9					
a Excess from 2012. . . .	376,622				
b Excess from 2013. . . .	539,406				
c Excess from 2014. . . .	1,281,417				
d Excess from 2015. . . .	75,687				
e Excess from 2016. . . .					

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling. . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

JAY PORTZ
2615 UNIVERSITY AVENUE
MINNEAPOLIS, MN 55414
(612) 789-3363

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

RESUME OF ACADEMIC QUALIFICATIONS OR STANDARD GRANT APPL

c Any submission deadlines

NONE

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

PREFERENCE IS GIVEN TO DONEE LOCATED IN ALEXANDRIA, MN AREA

Part XV **Supplementary Information** (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				856,072
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a SHOREWOOD CAMPUS			16	6,243,296	
b U VILLAGE			16	4,145,147	
c CMSH			16	13,590,632	
d KEELER			16	1,377,698	
e BANFILL SR HOUSING			16	1,398,154	
f COBORN PLAZA			16	4,258,291	
g Fees and contracts from government agencies					
2 Membership dues and assessments.					
3 Interest on savings and temporary cash investments			14	425,241	
4 Dividends and interest from securities.					
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.			16	12,613	
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	-74,551	-22,804
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a See Additional Data Table					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e).				35,286,144	-22,804

13 **Total.** Add line 12, columns (b), (d), and (e). 13 35,263,340

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

Part XVII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501 (c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	**1a(1)**		No
(2) Other assets.	**1a(2)**		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	**1b(1)**		No
(2) Purchases of assets from a noncharitable exempt organization.	**1b(2)**		No
(3) Rental of facilities, equipment, or other assets.	**1b(3)**		No
(4) Reimbursement arrangements.	**1b(4)**		No
(5) Loans or loan guarantees.	**1b(5)**		No
(6) Performance of services or membership or fundraising solicitations.	**1b(6)**		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	**1c**		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?. ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

******	2017-08-15	******	May the IRS discuss this return with the preparer shown below (see instr)? ☐ **Yes** ☐ **No**
Signature of officer or trustee	Date	Title	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
JOSEPH A RUSCHE		2017-08-01		P00377268
Firm's name ▶ BOYUM & BARENSCHEER PLLP				Firm's EIN ▶41-6192096
Firm's address ▶ 3050 METRO DR STE 200 MINNEAPOLIS, MN 554251547				Phone no (952) 854-4244

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
FRANK STARKE 10824 SHOREWOOD LANE BRANDON, MN 56315	BOARD MEMBER 1 00	1,200	0	0
DAVID KJOS 2615 UNIVERSITY AVENUE SE MINNEAPOLIS, MN 55414	CHAIRMAN 2 00	13,200	0	0
DAYTON SOBY 3545 DUNBAR KNOLL BROOKLYN PARK, MN 55443	SECRETARY 1 00	1,200	0	0
GARY SLETTE 134 - 3RD AVENUE EAST TWIN FALLS, ID 83301	BOARD MEMBER 1 00	1,200	0	0
DALE VESLEDAHL 14821 JACOBS LANE MINNETONKA, MN 55345	BOARD MEMBER 1 00	1,200	0	0
DANA WEDUM KENNELLY 4721 SPRING CIRCLE MINNETONKA, MN 55345	BOARD MEMBER 1 00	1,200	0	0
DAWN DOWNS 9568 HW 20/26 CALDWELL, ID 83605	BOARD MEMBER 1 00	1,200	0	0
JOSEPH A RUSCHE 3050 METRO PARKWAY SUITE 200 MINNEAPOLIS, MN 55425	VICE CHAIR O 1 00	1,200	0	0
JAY PORTZ 2206 HERITAGE DRIVE ST CLOUD, MN 55301	PRESIDENT 40 00	315,639	0	0
BRIAN MYRES 7491 86TH AVE SE CLEAR LAKE, MN 55319	TREASURER 1 00	1,200	0	0
MICHELE KELM-HELGEN 100 3RD AVE S 702 MINNEAPOLI, MN 554012703	BOARD MEMBER 1 00	1,200	0	0

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ALEXANDRIA AREA YMCA 110 KARL DRIVE ALEXANDRIA, MN 56308			HEALTH	13,500
ALEXANDRIA SENIOR CENTER 414 HAWTHORNE ST ALEXANDRIA, MN 56308			SOCIAL SERVICES	6,000
ALEXANDRIA TECHNICAL COLLEGE 1601 JEFFERSON STREET ALEXANDRIA, MN 56308			EDUCATION	2,320
ALEXANDRIA TECHNICAL COLLEGE FOUNDA 1601 JEFFERSON STREET ALEXANDRIA, MN 56308			EDUCATION	54,000
ALLINA HOSPICE FOUNDATION 2925 CHICAGO AVENUE MINNEAPOLIS, MN 55407			HEALTH	20,000
Total . . . . ▶ 3a				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ALZHEIMER'S ASSOCIATION 4357 13TH AVE S FARGO, ND 58103			HEALTH - ND CHAPTER	2,500
ANOKA RAMSEY COMMUNITY COLLEGE 11200 MISSISSIPPI BLVD NW COON RAPIDS, MN 55433			EDUCATION	1,000
ASSISTANCE LEAGUE OF MSPST PAUL 6416 PENN AVE S RICHFIELD, MN 55423			SOCIAL SERVICES	2,500
BENEVOLENCE DISCOUNTS PROPERTIES MINNEAPOLIS, MN 55401			DISCOUNTS	73,474
BETHANY LIFE 212 LAFAYETTE AVE STORY CITY, IA 50248			SOCIAL SERVICES	100
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
BETHEL UNIVERSITY 3900 BETHEL DRIVE ST PAUL, MN 55122			EDUCATION	5,000
BLUFF CREEK ELEMENTARY SCHOOL 2300 COULTER BLVD CHANHASSEN, MN 55317			EDUCATION	5,000
BROOTEN FOUNDATION PO BOX 400 BROOTEN, MN 56316			SOCIAL SERVICES	2,000
CAMP RIVERRUN 1045 S ANCONA AVE SUITE 1 EAGLE, ID 83616			SOCIAL SERVICES	3,000
CAMPHILL VILLAGE MINNESOTA 15136 CELTIC DRIVE SAUK CENTRE, MN 55378			SOCIAL SERVICES	1,000
Total . . . . ▶ 3a				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
CATHOLIC ELDERCARE 817 MAIN ST NE MINNEAPOLIS, MN 55413			SOCIAL SERVICES	10,000
CENTRAL MENTAL HEALTH CENTER 1321 13TH ST N ST CLOUD, MN 56303			SOCIAL SERVICES	2,500
CENTRAL MINNESOTA COMMUNITY FOUNDAT 101 7TH AVE S ST CLOUD, MN 56301			SOCIAL SERVICES	1,000
CITY OF BUFFALO 206 CENTRAL AVE BUFFALO, MN 55313			SOCIAL SERVICES	5,000
COMMUNITY GIVING 101 S 7TH ST STE 100 ST CLOUD, MN 56301			SOCIAL SERVICES	1,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
COMPASSIONATE FRIENDS 3510 WEST LAKE JESSIE DR ALEXANDRIA, MN 56308			SOCIAL SERVICES	1,000
COMPATIBLE TECHNOLOGY INTL 800 TRANSFER RD STE 6 ST PAUL, MN 55114			EDUCATION	5,000
CONCORDIA COLLEGE 901 - 8TH STREET S MOORHEAD, MN 56562			EDUCATION	7,500
DISTRICT 742 LEAF PO BOX 1132 ST CLOUD, MN 56301			EDUCATION	500
DODOMA TANZANIA HEALTH DEVELOPMENT 8085 WAYZATA BLVD SUITE 203 GOLDEN VALLEY, MN 55426			HEALTH	4,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
DOUGLAS COUNTY CAR CARE PROGRAM 110 6TH AVENUE E ALEXANDRIA, MN 56308			SOCIAL SERVICES	1,000
DUNWOODY COLLEGE OF TECHNOLOGY 818 DUNWOODY BLVD MINNEAPOLIS, MN 55403			EDUCATION	4,000
ELDER NETWORK 420 12TH AVE E PO BOX 232 ALEXANDRIA, MN 56308			SOCIAL SERVICES	2,500
FERGUS AREA COLLEGE FOUNDATION INC 1414 COLLEGE WAY FERGUS FALLS, MN 565371000			EDUCATION	13,000
GIVE KIDS THE WORLD INC 2480 SUPERIOR DRIVE NW ROCHESTER, MN 55901			SOCIAL SERVICES	1,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
GOPHER-HAWKEY POWER ASSOC PO BOX 2531736 600TH AVE KIESTER, MN 56051			SOCIAL SERVICES	2,500
GREAT NICOLLET AREA COMMUNITY FOUND PO BOX 416 NICOLLET, MN 56074			SOCIAL SERVICES	9,500
GREATER LAKE CITY COMMUNITY FOUNDAT PO BOX 86 LAKE CITY, MN 55041			SOCIAL ASSISTANCE	2,500
GREATER ST CLOUD PUBLIC SAFETY FOUN 101 11TH AVE N ST CLOUD, MN 56303			SOCIAL SERVICES	10,000
GUSTAVUS ADOLPHUS COLLEGE 800 WEST COLLEGE AVE ST PETER, MN 56082			EDUCATION	2,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
HABITAT FOR HUMANITY OF DOUGLAS COU 1211 N NOKOMIS NE ALEXANDRIA, MN 56308			SOCIAL SERVICES	1,500
HOSPICE VISIONS INC 1770 PARK VIEW DRIVE TWIN FALL, ID 83301			SOCIAL SERVICES	5,000
IDAHO FFA FOUNDATION INC 3401 WEST PINE AVENUE MERIDIAN, ID 83642			EDUCATION	4,000
IOWA STATE UNIVERSITY 210 BEARDSEER HALL AMES, IA 500112028			EDUCATION	1,000
IRINGA HOPE PO BOX 21055 EAGAN, MN 55121			SOCIAL SERVICES	5,000
Total . . . . ▶ 3a				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
JUNIOR ACHIEVEMENT OF THE UPPERMIDW 3515 3RD ST N ST CLOUD, MN 56302			EDUCATION	3,500
LAKE AREA TECHNICAL INSTITUTE 1201 ARROW AVE NE WATERTOWN, SD 57201			EDUCATION	2,000
LOVE INC OF DOUGLAS COUNTY LAKES A 803 N NOKOMIS ST STE 300 ALEXANDRIA, MN 56308			SOCIAL SERVICES	2,500
LUTHERAN SOCIAL SERVICE OF MN 2485 COMO AVE ST PAUL, MN 55108			SOCIAL SERVICES	54,000
MN LANDSCAPE ARBORETUM 3675 ARBORETUM DRIVE CHASKA, MN 55318			SOCIAL SERVICES	5,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
MN STATE COMM & TECH COLLEGE 405 COLFAX AVENUE SW WADENA, MN 56482			EDUCATION	5,000
MN STATE UNIVERSITY MANKATO 309 WIGLES ADMIN CENTER MANKATO, MN 560016068			EDUCATION	1,000
MN STATE UNIVERSITY MOORHEAD 1104 SOUTH 7TH AVE MOORHEAD, MN 56563			EDUCATION	1,000
MOUNT CARMEL MINISTRIES PO BOX 579 ALEXANDRIA, MN 56308			SOCIAL SERVICES	5,000
NELLIE JOHNSON SCHOOL 807 27TH AVE N MINNEAPOLIS, MN 55411			EDUCATION	3,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
NORTH DAKOTA STATE UNIVERSITY 1340 ADMINISTRATION AVE FARGO, ND 58102			EDUCATION	2,500
NORTH HENNEPIN COMMUNITY COLLEGE 7411 85TH AVE N BROOKLYN PARK, MN 55455			EDUCATION	2,000
NORTHLAND COMMUNITY AND TECHNICAL C 2022 CENTRAL AVE NE EAST GRAND FORKS, MN 56721			EDUCATION	1,000
NORTH STAR BOYS' CHOIR OF MN PO BOX 2283 MAPLE GROVE, MN 55311			EDUCATION	2,500
REBUILDING GENERATIONS 13601 W MCMILLAN RD BOISE, ID 83713			SOCIAL SERVICES	3,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
RIDGEWATER - WILLMAR CAMPUS 2101 15TH AVE NW WILLMAR, MN 56201			EDUCATION	1,500
RONALD MCDONALD HOUSE CHARITIES UPP 818 FULTON ST SE MINNEAPOLIS, MN 55414			SOCIAL SERVICES	5,000
SAMARITAN PURSE PO BOX 300 801 BAMBOO RD BOONE, NC 28607			SOCIAL SERVICES	1,000
SHAKOPEE DOLLARS FOR SCHOLARS PO BOX 734 SHAKOPEE, MN 55379			EDUCATION	4,000
ST CLOUD STATE UNIVERSITY 720 4TH AVE S ST CLOUD, MN 56301			EDUCATION	216,267
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ST CLOUD TECH BOYS HOCKEY BOOSTERS 1175 LIME TREE CIRCLE ST CLOUD, MN 56301			SOCIAL SERVICES	3,500
ST CLOUD TECHNICAL COLLEGE 1540 NORTHWAY DRIVE ST CLOUD, MN 56303			EDUCATION	750
ST CLOUD YMCA 1530 NORTHWAY DRIVE ST CLOUD, MN 56301			SOCIAL SERVICES	4,000
ST OLAF COLLEGE 1500 ST OLAF AVE NORTHFIELD, MN 55057			EDUCATION	4,000
STANFORD UNIVERSITY 355 GALVEZ STREET STANFORD, CA 943056106			EDUCATION	2,500
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SUMMIT ACADEMY OIC 935 OLSON MEMORIAL HWY MINNEAPOLIS, MN 55405			EDUCATION	130,000
THE FAMILY PARTNERSHIP 1550 EAST 78TH ST RICHFIELD, MN 55423			SOCIAL SERVICES	4,000
THE REGENERATION CENTER 2504 AGA DRIVE SUITE 4 ALEXANDRIA, MN 56308			SOCIAL SERVICES	5,000
THE RIDGES SANCTUARY INC 8166 HWY 57 BAILEYS HARBOR, WI 54202			SOCIAL SERVICES	5,000
THEATRE L'HOMME DIEU PO BOX 1086 ALEXANDRIA, MN 56308			CULTURAL	5,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
UNIVERSITY OF IDAHO FOUNDATION PO BOX 442321 MOSCOW, ID 83684			EDUCATION	5,000
UNIVERSITY OF HAWAII AT HILO 200 W KAWILI ST HILO, HI 96720			EDUCATION	1,000
UNIVERSITY OF MINNESOTA 200 FRASER HALL 106 PLEASANT STREET MINNEAPOLIS, MN 55401			EDUCATION	47,000
UNIVERSITY OF MINNESOTA CROOKSTON 2900 UNIVERSITY AVE CROOKSTON, MN 56716			EDUCATION	2,500
UNIVERSITY OF MINNESOTA DULUTH 1049 UNIVERSITY DR DULUTH, MN 55812			EDUCATION	1,000
Total . . . . ▶ **3a**				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
UNIVERSITY OF MINNESOTA FOUNDATION 200 FRASER HALL 106 PLEASANT STREET MINNEAPOLIS, MN 55455			EDUCATION	3,161
UNIVERSITY OF NORTH DAKOTA 264 CENTENNIAL DRIVE GRAND FORKS, ND 582028371			EDUCATION	1,000
UNIVERSITY OF WI-LACROSSE FOUNDATIO 1725 STATE STREET LACROSSE, WI 54601			EDUCATION	5,000
UNIVERSITY OF WI - MADISON 702 W JOHNSON ST 1101 MADISON, WI 53715			EDUCATION	1,000
WACOSA 310 SUNDIAL DR WAITE PARK, MN 56387			SOCIAL SERVICES	4,000
Total . . . . ▶ 3a				856,072

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
WELLNESS TREE COMMUNITY CLINIC 173 MARTIN ST TWIN FALLS, ID 83301			HEALTH	5,000
YMCA OF TWIN FALLS 1751 ELIZABETH BLVD TWIN FALLS, ID 83301			HEALTH	2,500
Total . . . . ▶ **3a**				856,072

Form 990PF Part XVI-A Line 11 - Other revenue:

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See the instructions)
11 Other revenue	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
a COBORN PLAZA MISC REVENUE			16	8,364	
b SHOREWOOD CAMPUS MISC REV			16	435,630	
c U VILLAGE MISC REV			16	63,018	
d KEELER MISC REV			16	28,655	
e CMSH MISC REV			16	3,306,910	
f BANFILL MISC REVENUE			16	25,720	
g FOUNDATION MISC REV			16	41,326	

TY 2016 Accounting Fees Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT ACCOUNTING FEES	6,335			

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2016 Amortization Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Description of Amortized Expenses	Date Acquired, Completed, or Expended	Amount Amortized	Deduction for Prior Years	Amortization Method	Current Year Amortization	Net Investment Income	Adjusted Net Income	Total Amount of Amortization
			1,853,894		23,232		23,232	1,877,126

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2016 Depreciation Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
WEDUM		115,101	156,794			11,517		11,517	
SHOREWOOD CAMPUS		22,717,642	13,399,857			711,919		711,919	
U VILLAGE		22,627,459	10,504,233			760,287		760,287	
KEELER		9,204,882	3,121,387			252,952		252,952	
CMSH		14,295,067	5,984,058			798,975		798,975	
BANFILL		9,331,603	2,565,420			249,543		249,543	
TRANSPORTATION		198,382	29,053			6,350		6,350	
COBORN PLAZA		29,218,349	4,457,756			836,731		836,731	

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2016 Gain/Loss from Sale of Other Assets Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
SALE OF LEXUS		PURCHASE			22,000	31,195			-9,195	
UNIV VILLAGE		PURCHASE				14,281			-14,281	
CMSH		PURCHASE			4,550	3,878			672	
RBC WEALTH	2015-04	PURCHASE	2016-01		920,250	990,304			-70,054	
RBC WEALTH	2013-01	PURCHASE	2016-07		122,877	127,374			-4,497	

TY 2016 Investments Corporate Bonds Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Name of Bond	End of Year Book Value	End of Year Fair Market Value
BONDS	985,578	1,003,969

TY 2016 Investments Corporate Stock Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Name of Stock	End of Year Book Value	End of Year Fair Market Value
STOCKS	16,268,657	19,832,782

TY 2016 Investments - Other Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
NOTE-PINE SHORE/INTERLACHEN	AT COST	136,917	
NOTE RECEIVABLE	AT COST	18,716	

TY 2016 Land, Etc. Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
BANFILL SR HOUSING - DEPR. ASSETS	9,670,241	2,814,964	6,855,277	9,670,241
CMSH - DEPR. ASSETS	19,877,044	9,643,473	10,233,571	19,877,044
COBORN PLAZA	28,940,013	5,294,487	23,645,526	28,940,013
KEELER - DEPR. ASSETS	9,678,841	3,250,838	6,428,003	9,678,841
SHOREWOOD - DEPR. ASSETS	26,242,568	14,002,805	12,239,763	26,242,568
U VILLAGE - DEPR. ASSETS	24,821,289	11,264,520	13,556,769	24,821,289
WEDUM - DEPR. ASSETS	283,617	232,814	50,803	283,617
SHOREWOOD - LAND	3,551,056		3,551,056	3,551,056
U VILLAGE - LAND	2,226,421		2,226,421	2,226,421
KEELER - LAND	10,350		10,350	10,350
CMSH - LAND	1,571,420		1,571,420	1,571,420
BANFILL SR HOUSING - LAND	600,000		600,000	600,000
ST. CLOUD - LAND/COBORN PLAZA	3,917,139		3,917,139	3,917,139
WEDUM FOUNDATION - LAND	139,858		139,858	139,858

TY 2016 Legal Fees Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT LEGAL FEES	9,703			

TY 2016 Mortgages and Notes Payable Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Total Mortgage Amount:

Item No.	1
Lender's Name	SHOREWOOD
Lender's Title	
Relationship to Insider	
Original Amount of Loan	29,300,000
Balance Due	26,531,452
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	
Purpose of Loan	CONSTRUCTION
Description of Lender Consideration	
Consideration FMV	
Item No.	1
Lender's Name	U VILLAGE
Lender's Title	
Relationship to Insider	
Original Amount of Loan	25,880,104
Balance Due	21,130,259
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	MORTGAGE
Purpose of Loan	CONSTRUCTION
Description of Lender Consideration	
Consideration FMV	

Item No.	3
Lender's Name	CMSH
Lender's Title	
Relationship to Insider	
Original Amount of Loan	19,965,000
Balance Due	17,057,784
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	
Purpose of Loan	CONSTRUCTION
Description of Lender Consideration	
Consideration FMV	
Item No.	1
Lender's Name	KEELER
Lender's Title	
Relationship to Insider	
Original Amount of Loan	12,306,270
Balance Due	10,392,039
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	
Purpose of Loan	CONSTRUCTION
Description of Lender Consideration	
Consideration FMV	

Item No.	5
Lender's Name	BANFILL
Lender's Title	
Relationship to Insider	
Original Amount of Loan	9,905,000
Balance Due	7,355,000
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	
Purpose of Loan	CONSTRUCTION
Description of Lender Consideration	
Consideration FMV	
Item No.	1
Lender's Name	ST CLOUD
Lender's Title	
Relationship to Insider	
Original Amount of Loan	31,979,292
Balance Due	21,930,706
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	
Purpose of Loan	CONSTRUCTION
Description of Lender Consideration	
Consideration FMV	

TY 2016 Other Assets Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
TENANT SECURITY DEPOSITS	646,634	628,862	628,862
SHOREWOOD - OTHER ASSETS - RESERVES	570,059	570,982	570,982
U VILLAGE - OTHER ASSETS - RESERVES	1,197,950	1,140,330	1,140,330
KEELER - OTHER ASSETS - RESERVES	956,066	980,069	980,069
CMSH - OTHER ASSETS - RESERVES	2,207,652	2,293,140	2,293,140
BANFILL - OTHER ASSETS - RESERVES	103,162	89,673	89,673
SHOREWOOD FINANCING FEES - NET	269,665	260,651	260,651
U VILLAGE FINANCING FEES - NET	119,185	115,453	115,453
KEELER FINANCING FEES - NET	283,559	270,521	270,521
CMSH - GOODWILL	6,878,617	6,878,617	6,878,617
CMSH FINANCE FEES - NET	578,416	545,677	545,677
PREPAID LAND LEASE	929,500	910,000	910,000
COBORN - OTHER ASSETS - RESERVES	252,560	353,778	353,778
COBORN FINANCE FEES - NET	245,708	229,109	229,109
BENEFICIAL INTEREST IN CHAR REM TRUS	553,877	553,248	553,248

TY 2016 Other Expenses Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
SHOREWOOD CAMPUS				
ADMINISTRATIVE	653,201		653,201	
U VILLAGE				
ADMINISTRATIVE	361,141		361,141	
CMSH				
ADMINISTRATIVE	572,015		572,015	
KEELER				
ADMINISTRATIVE	256,991		256,991	
BANFILL SR HOUSING				
ADMINISTRATIVE EXPENSE	212,951		212,951	

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
COBORN PLAZA				
ADMINISTRATIVE	402,666		402,666	
EXPENSES				
ADMINISTRATIVE EXPENSE	6,438			
CONSULTING FEES	24,000			
INSURANCE	20,755			
EVENTS	23,463			
TELEPHONE/INTERNET	5,112			

TY 2016 Other Income Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
SHOREWOOD CAMPUS	6,243,296		6,243,296
U VILLAGE	4,145,147		4,145,147
CMSH	13,590,632		13,590,632
KEELER	1,377,698		1,377,698
BANFILL SR HOUSING	1,398,154		1,398,154
COBORN PLAZA	4,258,291		4,258,291
COBORN PLAZA MISC REVENUE	8,364		8,364
SHOREWOOD CAMPUS MISC REV	435,630		435,630
U VILLAGE MISC REV	63,018		63,018
KEELER MISC REV	28,655		28,655
CMSH MISC REV	3,306,910		3,306,910
BANFILL MISC REVENUE	25,720		25,720
FOUNDATION MISC REV	41,326		41,326

TY 2016 Other Increases Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Description	Amount
BOOK TO TAX DIFFERENCES	49,030

TY 2016 Other Liabilities Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Description	Beginning of Year - Book Value	End of Year - Book Value
SHOREWOOD DEPOSITS	459,648	440,378
U VILLAGE DEPOSITS	51,559	63,296
KEELER DEPOSITS	35,645	33,865
BANFILL DEPOSITS	89,970	95,305
ACCRUED INTEREST	638,405	587,522
PREPAID RENT	419,653	646,314
PREPAID LAND LEASE	841,317	823,667

TY 2016 Other Professional Fees Schedule

Name: JA WEDUM FOUNDATION

EIN: 41-6025661

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT OTHER PROFESSIONAL FEES	134,148			

J.A. WEDUM FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015

J.A. WEDUM FOUNDATION
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015

ClıftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
J.A. Wedum Foundation
Minneapolis, Minnesota

We have audited the accompanying consolidated financial statements of J.A. Wedum Foundation which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities and changes in net assets, functional expenses, 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 audits 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.

Board of Directors
J.A. Wedum Foundation

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of J.A. Wedum Foundation as of December 31, 2016 and 2015, and the consolidated changes in its net assets, functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Foundation adopted a recently issued accounting standard related to the accounting for debt issuance costs. The new standard requires entities to present debt issuance costs as a direct deduction from the face amount of the related borrowings, amortize debt issuance costs using the effective interest method over the life of the debt, and record the amortization as a component of interest expense. Our opinion is not modified with respect to this matter.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Cloud, Minnesota
June 21, 2017

J.A. WEDUM FOUNDATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2016 AND 2015

	2016	2015
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 10,287,512	$ 10,225,242
Investments	20,836,751	16,633,644
Accounts Receivable - Tenants	1,750,235	1,732,623
Notes Receivable	18,716	21,425
Accounts Receivable - Other	74,795	149,665
Prepaid Expenses	298,693	300,945
Total Current Assets	33,266,702	29,063,544
TENANT SECURITY DEPOSITS	801,974	820,022
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Reserve Account	570,982	570,059
Tax and Insurance Escrow	315,677	421,236
Reserve for Replacements	1,876,078	1,679,851
Funds held by Trustees under Bond Indentures	2,862,931	2,859,473
Total Restricted Deposits and Funded Reserves	5,625,668	5,530,619
PROPERTY AND EQUIPMENT		
Land and Improvements	13,223,283	13,163,902
Buildings and Improvements	116,078,944	115,030,625
Furniture and Equipment	13,507,436	12,851,728
Construction in Process	22,080	8,181
Total Property and Equipment	142,831,743	141,054,436
Less Accumulated Depreciation	(50,185,739)	(46,335,576)
Net Property and Equipment	92,646,004	94,718,860
OTHER ASSETS		
Beneficial Interest in Charitable Remainder Unit Trust	553,248	553,877
Land Held for Sale	24,258	24,258
Land, Under Long-Term Commercial Lease	136,917	136,917
Long-Term Lease Receivable - Retail	1,889,682	1,941,345
Prepaid Land Lease, Net	910,000	929,500
Goodwill	6,878,617	6,878,617
Total Other Assets	10,392,722	10,464,514
Total Assets	$ 142,733,070	$ 140,597,559

See accompanying Notes to Consolidated Financial Statements

LIABILITIES AND NET ASSETS	2016	2015
CURRENT LIABILITIES		
Accounts Payable and Accrued Operating Expenses	$ 1,830,699	$ 1,684,893
Grants Payable	-	351,000
Accrued Interest	625,112	676,271
Prepaid Rent	646,314	472,908
Current Maturities of Long-Term Debt	10,629,033	10,699,085
Total Current Liabilities	13,731,158	13,884,157
TENANT SECURITY DEPOSIT LIABILITY	794,894	801,202
LONG-TERM LIABILITIES		
Bonds Payable, Net of Current Maturities	57,239,211	58,884,351
Notes Payable, Net of Current Maturities	43,631,276	45,790,260
Unamortized Finance Costs	(1,493,718)	(1,585,526)
Prepaid Land Lease	823,667	841,317
Interest Rate Swap Liability	812,346	1,630,282
Total Long-Term Liabilities	101,012,782	105,560,684
Total Liabilities	115,538,834	120,246,043
NET ASSETS		
Unrestricted	26,557,732	19,548,100
Temporarily Restricted	636,504	803,416
Total Net Assets	27,194,236	20,351,516
Total Liabilities and Net Assets	$ 142,733,070	$ 140,597,559

J.A. WEDUM FOUNDATION
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2016

	Unrestricted	Temporarily Restricted	Total
REVENUE			
Rental Revenue - Residential, Net	$ 31,706,101	$ -	$ 31,706,101
Less Benevolence Discounts	(112,961)	-	(112,961)
Rental Revenue - Commercial	914,088	-	914,088
Total Rent Revenue	32,507,228	-	32,507,228
Investment Income	427,179	-	427,179
Change in Value of Beneficial Interest in Charitable Remainder Unit Trust	-	(629)	(629)
Loss on Sale of Assets	(22,804)	-	(22,804)
Net Realized and Unrealized Investment Gains	1,323,415	-	1,323,415
Unrealized Gain on Interest Rate Swap	817,936	-	817,936
Net Investment Return	2,545,726	(629)	2,545,097
Contributions	1,000	-	1,000
Meal Revenue	2,052,357	-	2,052,357
Other Revenue	4,235,704	-	4,235,704
Net Assets Released from Restriction	166,283	(166,283)	-
Total Revenue	41,508,298	(166,912)	41,341,386
EXPENSES			
Program Expenses	32,234,560	-	32,234,560
Management and General Expenses	2,215,893	-	2,215,893
Fundraising Expenses	48,213	-	48,213
Total Expenses	34,498,666	-	34,498,666
CHANGE IN NET ASSETS	7,009,632	(166,912)	6,842,720
Net Assets - Beginning of Year	19,548,100	803,416	20,351,516
NET ASSETS - END OF YEAR	$ 26,557,732	$ 636,504	$ 27,194,236

See accompanying Notes to Consolidated Financial Statements

J.A. WEDUM FOUNDATION
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2015

	Unrestricted	Temporarily Restricted	Total
REVENUE			
Rental Revenue - Residential, Net	$ 31,735,054	$ -	$ 31,735,054
Less Benevolence Discounts	(130,289)	-	(130,289)
Rental Revenue - Commercial	906,260	-	906,260
Total Rent Revenue	32,511,025	-	32,511,025
Investment Income	388,742	1,165	389,907
Change in Value of Beneficial Interest in Charitable Remainder Unit Trust	-	9,161	9,161
Gain on Sale of Assets	92,226	-	92,226
Net Realized and Unrealized Investment Losses	(179,082)	-	(179,082)
Unrealized Loss on Interest Rate Swap	(177,741)	-	(177,741)
Net Investment Return	124,145	10,326	134,471
Contributions	12,180	-	12,180
Meal Revenue	2,040,074	-	2,040,074
Other Revenue	3,702,858	-	3,702,858
Net Assets Released from Restriction	177,154	(177,154)	-
Total Revenue	38,567,436	(166,828)	38,400,608
EXPENSES			
Program Expenses	32,515,142	-	32,515,142
Management and General Expenses	2,230,419	-	2,230,419
Fundraising Expenses	42,474	-	42,474
Total Expenses	34,788,035	-	34,788,035
CHANGE IN OPERATING NET ASSETS	3,779,401	(166,828)	3,612,573
Financing Costs Written-Off	824,704	-	824,704
Mortgage Prepayment Penalty	259,250	-	259,250
CHANGE IN NET ASSETS	2,695,447	(166,828)	2,528,619
Net Assets - Beginning of Year	16,852,653	970,244	17,822,897
NET ASSETS - END OF YEAR	$ 19,548,100	$ 803,416	$ 20,351,516

See accompanying Notes to Consolidated Financial Statements

J.A. WEDUM FOUNDATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016

	Program	and General	Fundraising	Total
Salaries	$ 11,950,443	$ 166,557	$ 22,476	$ 12,139,477
Payroll Taxes	1,008,267	10,034	1,178	1,019,479
Benefits	1,331,021	5,481	1,096	1,337,598
Total Payroll Costs	14,289,731	182,073	24,750	14,496,554
Interest Expense	4,515,666	-	-	4,515,666
Depreciation and Amortization	4,003,921	10,618	-	4,014,539
Contract Services	2,968,134	-	-	2,968,134
Management Fees	-	1,621,140	-	1,621,140
Utilities	1,463,428	2,527	-	1,465,955
Grants and Scholarships	782,597	-	-	782,597
Real Estate Taxes	674,674	1,042	-	675,716
Insurance	872,107	12,363	-	884,470
Repairs and Maintenance	977,595	-	-	977,595
Resident Care	14,444	-	-	14,444
Office Expense	310,638	51,169	-	361,807
Supplies	343,280	1,275	-	344,555
Advertising and Marketing	221,415	-	-	221,415
Trustee Fees and Bank Charges	134,405	-	-	134,405
Professional Fees	-	278,636	-	278,636
Bad Debt Expense	131,983	-	-	131,983
Activities and Recreation	33,539	-	-	33,539
Miscellaneous	497,003	55,050	23,463	575,516
Total Expenses	$ 32,234,560	$ 2,215,893	$ 48,213	$ 34,498,666

See accompanying Notes to Consolidated Financial Statements

J.A. WEDUM FOUNDATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2015

	Program	and General	Fundraising	Total
Salaries	$ 11,351,954	$ 151,267	$ 20,133	$ 11,523,354
Payroll Taxes	973,184	9,099	1,046	983,329
Benefits	1,272,068	5,199	1,040	1,278,307
Total Payroll Costs	13,597,206	165,565	22,219	13,784,990
Interest Expense	5,204,602	-	-	5,204,602
Depreciation and Amortization	3,989,173	14,196	-	4,003,369
Contract Services	2,865,794	-	-	2,865,794
Management Fees	-	1,623,053	-	1,623,053
Utilities	1,432,088	1,785	-	1,433,873
Grants and Scholarships	1,165,171	-	-	1,165,171
Real Estate Taxes	701,701	1,016	-	702,717
Insurance	864,258	11,733	-	875,991
Repairs and Maintenance	1,029,919	-	-	1,029,919
Resident Care	15,594	-	-	15,594
Office Expense	334,490	50,606	-	385,096
Supplies	343,335	1,233	-	344,568
Advertising and Marketing	227,164	-	-	227,164
Trustee Fees and Bank Charges	142,398	-	-	142,398
Professional Fees	-	258,467	-	258,467
Bad Debt Expense	112,381	-	-	112,381
Activities and Recreation	36,509	-	-	36,509
Miscellaneous	453,359	102,765	20,255	576,379
Total Expenses	$ 32,515,142	$ 2,230,419	$ 42,474	$ 34,788,035

J.A. WEDUM FOUNDATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Tenants	$ 34,651,432	$ 34,671,427
Cash Paid to Suppliers and Employees	(26,098,365)	(25,080,440)
Interest Received	427,808	380,746
Interest Paid	(4,475,017)	(5,428,603)
Other Receipts	4,293,287	3,676,167
Net Cash Provided by Operating Activities	8,799,145	8,219,297
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(2,239,267)	(4,344,972)
Proceeds from Sales of Investments	1,043,072	1,736,082
Proceeds from Sale of Land Held for Sale	-	196,000
Proceeds from Sale of Property and Equipment	26,550	316
Purchases of Investments	(3,922,764)	(3,397,981)
Change in Reserve Account	923	(570,059)
Change in Tax and Insurance Escrow	103,713	270,265
Change in Reserve for Replacements	(196,227)	(80,496)
Change in Funds Held by Trustees under Bond Indentures	(3,458)	2,474,542
Net Cash Used by Investing Activities	(5,187,458)	(3,716,303)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds on the Issuance of Bonds and Notes Payable	-	27,250,000
Payments on Bonds and Notes Payable	(3,549,417)	(28,918,488)
Payment of Financing Costs	-	(270,416)
Net Cash Used by Financing Activities	(3,549,417)	(1,938,904)
NET INCREASE IN CASH AND CASH EQUIVALENTS	62,270	2,564,090
Cash and Cash Equivalents - Beginning of Year	10,225,242	7,661,152
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 10,287,512	$ 10,225,242

See accompanying Notes to Consolidated Financial Statements

J.A. WEDUM FOUNDATION
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Changes in Net Assets	$ 6,842,720	$ 2,528,619
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities		
Net Realized and Unrealized Investment Losses (Gains)	(1,323,415)	179,082
Unrealized (Gain) Loss on Interest Rate Swap	(817,936)	177,741
Depreciation	3,903,231	3,962,031
Amortization	111,308	133,146
Loss on Sale of Property and Equipment	22,804	13,053
Land Held for Sale Written Off	-	15,000
Gain on Sale of Land Held for Sale	-	(92,226)
Straight-line Lease Receivable Adjustments	51,663	(38,517)
Prepaid Land Lease	(17,650)	(17,650)
Noncash Interest Expense on Below Market Loan	34,779	37,482
Beneficial Interest in Charitable Remainder Unitrust	629	(9,161)
Financing Costs Written off	-	824,704
(Increase) Decrease in		
Accounts Receivable - Tenants	(17,612)	67,491
Notes Receivable	2,709	61,656
Accounts Receivable - Other	74,870	(123,805)
Prepaid Insurance	2,252	9,996
Tenant Security Deposits	18,048	(87,776)
Increase (Decrease) in		
Accounts Payable and Accrued Operating Expenses	145,806	314,143
Grants Payable	(351,000)	327,000
Accrued Interest	(51,159)	(56,559)
Tenant Security Deposits	(6,308)	24,623
Prepaid Rent	173,406	(30,776)
Net Cash Provided by Operating Activities	$ 8,799,145	$ 8,219,297

See accompanying Notes to Consolidated Financial Statements

NOTE 1 ORGANIZATION

The J.A. Wedum Foundation (the Foundation) was organized on January 30, 1959, as a nonprofit organization whose mission is to positively change and improve people's lives in the spirit of stewardship and generosity exemplified by its founder, John A. Wedum. The Foundation provides housing, services, and support for persons and communities in need, and for the prevention and relief of human suffering.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies followed by the Foundation are summarized below to assist the reader in understanding the accompanying financial statements.

Basis of Presentation

The Foundation follows Financial Statements of Not-for-Profit Organizations standards. Under these standards, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted

Resources over which the board of directors has discretionary control. Designated amounts represent those revenues which the board has set aside for a particular purpose.

Temporarily Restricted

Those resources subject to donor imposed restrictions, which will be satisfied by actions of the Foundation or the passage of time.

Permanently Restricted

Those resources subject to a donor imposed restriction that they be maintained permanently by the Foundation. The donors of these resources would typically permit the Foundation to use all or part of the income earned, including capital appreciation on related investments, for unrestricted or temporarily restricted purposes.

As of December 31, 2016 and 2015, the Foundation does not have any permanently restricted net assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidated Financial Statements

The accompanying consolidated financial statements include the accounts of the Foundation and its affiliated organizations, which are listed below, all of which are wholly owned and or controlled by the Foundation. All intercompany transactions and balances have been eliminated in the preparation of the consolidated financial statements.

Banfill Senior Housing, LLC	Fridley, MN
Central MN Senior Housing, LLC	Buffalo, Mankato, and Rochester, MN
Esplanade Gardens Senior, Inc.	Converse, TX
17th Avenue Housing, LLC	Minneapolis, MN
Wedum University Village, LLC	Minneapolis, MN
Wedum Management Services, LLC	Minneapolis, MN
Wedum Shorewood Campus, LLC	Rochester, MN
Wedum St Cloud Student Housing	St. Cloud, MN
Wedum Transportation Services, LLC	Minneapolis, MN

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Receivables

The Foundation provides an allowance for bad debts using the allowance method, which is based on management's judgment considering historical information. Accounts receivable are unsecured. Any amounts not paid in accordance with the lease terms are considered past due. When all collection efforts have been exhausted, the accounts are written off against the related allowance. No allowance for bad debts is considered necessary at year-end.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments are reported at fair value in the statement of financial position. Unrealized gains and losses are included in the Change in Net Assets in the accompanying statements of activities and changes in net assets.

Funds Held by Trustees Under Bond Indentures

Under the bond indentures and related agreements pertaining to various housing projects owned by the Foundation, the projects are required to have sufficient funds maintained by the trustees for payment of bond interest and principal, as well as reserve funds for payment of principal and interest on the bonds in the event that the bond funds are insufficient to meet debt service requirements. Interest earned from the bond funds remains in the funds. Interest earnings from the reserve funds are transferred to the bond funds. Funds are invested by the trustees in U.S. government obligations and bank money market funds, and are recorded at fair value.

Tenant Security Deposits

The consolidated housing properties hold in trust, security deposits advanced by the tenants of the properties. The properties record these deposits plus interest as a liability.

Property and Equipment

Property and equipment are recorded at cost or the estimated value on the date of contribution. Depreciation is computed by the straight-line method over the estimated useful lives of the assets. The Foundation capitalizes fixed assets purchases over $1,000. The estimated useful lives are as follows:

Land Improvements	10 – 15 Years
Buildings and Improvements	37 – 45 Years
Furniture and Equipment	5 – 10 Years

Depreciation expense was $3,904,128 and $3,962,031 for the years ended December 31, 2016 and 2015, respectively.

During 2015, one of the Foundation's affiliated organizations (Wedum Shorewood Campus, LLC) constructed a wellness center with a capitalized cost of approximately $3,070,000.

Goodwill

On March 28, 2003, one of the Foundation's affiliated organizations (Central Minnesota Senior Housing, LLC) acquired certain assets of a company that owned and operated senior assisted living projects located in central Minnesota. Prior to this acquisition, the project did not have any operations. The aggregate purchase price was $20,130,000, resulting in $6,878,617 in goodwill recognized by the project upon purchase. Goodwill is not amortized, but rather tested annually for impairment. No impairment losses have been recognized as of December 31, 2016 and 2015.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Charitable Remainder Unit Trust

The Foundation is a beneficiary of a charitable remainder unit trust. The assets are invested and administered by a trustee and distributions are made to the beneficiaries during the term of the agreement. The Foundation records its interest in the unit trust at fair value based on estimated future cash receipts discounted at 2.4%. Initial recognition and subsequent adjustments to the unit trust's carrying value are recognized as contribution revenue and change in value of split-interest agreement, respectively, and are classified as temporarily restricted.

Fair Value Measurements

The Foundation follows an accounting guidance that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this guidance, the Foundation has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the consolidated statement 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 Foundation has the ability to access. Examples include equity securities traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

Level 2 – Financial assets and liabilities are valued using quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data. Level 2 includes private collateralized mortgage obligations, municipal bonds, and corporate debt securities.

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derivative Financial Instruments

The Foundation recognizes all derivative instruments on the consolidated statements of financial position at their respective fair values. Changes in fair value of derivatives are recorded on the consolidated statements of activities and changes in net assets.

During 2007, one of the Foundation's affiliated organizations – Banfill Senior Housing, LLC – entered into an interest rate swap agreement to reduce the impact of changes in interest rates on its floating rate long-term debt. The swap has an initial notional amount of $8,800,000, and then declines in accordance with a specified amortization schedule. Under this agreement, the project receives a variable rate equal to the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index. The Company pays a fixed rate of 3.758%.

During 2013, one of the Foundation's affiliated organizations – Wedum St. Cloud Student Housing, LLC – entered into an interest rate swap agreement to reduce the impact of changes in interest rates on its floating rate long-term debt. The swap has an initial notional amount of $26,500,000, and then declines in accordance with a specified amortization schedule. Under the Swap Agreement, the project pays or receives, on a monthly basis, an amount based on the notional amount times the interest spread between the fixed rate of 0.895% and the USD-LIBOR-BBA Index. In May of 2014, Wedum St. Cloud Student Housing, LLC exercised its right to terminate the existing swap agreement without penalty and entered into a new swap agreement that is cancellable at any time after May 1, 2019. Under the new swap agreement, the project pays or receives, on a monthly basis an amount based on the notional amount times the interest rate spread between the fixed rate of 2.24999% and 70% of USD-LIBOR-BBA index.

During 2015, one of the Foundation's affiliated organizations – Wedum Shorewood Campus, LLC – entered into an interest rate swap agreement to reduce the impact of changes in interest rates on its floating rate long-term debt. The swap has an initial notional amount of $27,250,000, and then declines in accordance with a specified amortization schedule, that hedges the variable interest rate risk on the promissory note secured by mortgage from December 1, 2015 through November 15, 2030. Under the Swap Agreement, the project pays or receives, on a monthly basis, an amount based on the notional amount times the interest spread between the fixed rate of 3.04% and 67% of USD-LIBOR-BBA Index.

The Foundation has elected not to prepare and maintain the documentation required by the derivatives and hedging standard to qualify for hedge accounting. Accordingly, changes in the fair value of the Foundation's interest rate swaps are recognized in operations as unrealized gains or losses. The net cash received or paid under the terms of the interest rate swap agreements is reported as a component of interest expense.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derivative Financial Instruments (Continued)

The fair value of the interest rate swaps is determined through the use of pricing models based on the net present value of estimated future cash flows. The valuation models used requires inputs including contractual terms, market prices, yield curves, and measures of volatility. As of December 31, 2016 and 2015, the fair value of the interest rate swaps was an unrealized loss position of $812,346and $1,630,282, respectively.

Advertising

The Foundation expenses advertising costs as incurred. Advertising costs were $221,415 and $227,164 for the years ended December 31, 2016 and 2015, respectively.

Reserve Account

A housing project owned by the Foundation funded a reserve account during 2015 with $570,000. All amounts in the reserve account shall be released by the lender upon the housing project's compliance with certain conditions as defined in their loan agreement.

Reserve for Replacements

Various housing projects owned by the Foundation make required monthly payments into a reserve for replacements. Any disbursements require approval from the trustee.

Functional Expenses

Salaries and related expenses are allocated based on job descriptions and the best estimates of management. Expenses, other than salaries and related expenses, which are not directly identifiable by programs or supporting services, are allocated on the best estimates of management.

Income Taxes

The J.A. Wedum Foundation, and its affiliated organization, qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and has been classified as a private foundation under Section 509(a). Contributions to the Foundation qualify as a charitable tax deduction by the contributor.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principle

Various consolidated housing projects have adopted the accounting guidance in FASB Accounting Standards Update (ASU) No. 2015-03, *Interest Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*. ASU 2015-03 requires organizations to present debt issuance costs as a direct deduction from the face amount of the related borrowings, amortize debt issuance costs using the effective interest method over the life of the debt, and record the amortization as a component of interest expense. The effect of adopting the new standard decreased the debt issuance costs asset to zero. The adoption of the standard had no effect on previously reported net assets. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. The ASU is retrospectively applied. The Foundation has elected to adopt this change in accounting principle as of January 1, 2015.

Amortization of financing costs has been reclassified as interest expense on the consolidated statement of activity and changes in net assets for 2015 to be consistent with reporting in 2016.

Subsequent Events

In preparing these consolidated financial statements, the Foundation has considered events and transactions that have occurred through June 21, 2017, the date the financial statements were issued.

NOTE 3 LONG-TERM DEBT

The housing projects owned by the Foundation and its affiliated organizations were acquired, constructed, and equipped with funding provided by a variety of bonds, mortgages, and notes payable. These bonds, mortgages, and notes payable are held with various financial institutions, have interest rates ranging from 0% to 9%, and mature in varying installments through 2068. Property and equipment of the housing properties are pledged as collateral. The properties are subject to debt covenants under the terms of these debt agreements. These covenants require, among other things, certain reporting requirements. Interest expense for the years ended December 31, 2016 and 2015 was $4,515,666 and $5,204,602, respectively.

NOTE 3 LONG-TERM DEBT (CONTINUED)

The estimated principal payments of long-term debt for the next five years are as follows:

Year Ending December 31,	Scheduled Payments	Contractual Payments
2017	$ 3,484,033	$ 10,629,033
2018	24,535,285	24,315,285
2019	2,601,157	2,371,157
2020	2,701,462	2,461,462
2021	8,962,766	8,712,766
Thereafter	69,214,817	63,009,817
Total	$ 111,499,520	$ 111,499,520

The contractual payment column in the above schedule reflects the full value of the Banfill Senior Housing, LLC's bonds – valued at $7,355,000 – as payable in 2016. The contractual payment arises from accounting standards that require debt obligations, which are subject to a Remarketing Agreement and a Reimbursement Agreement with a reimbursement provision of less than one year, to be reflected as a current debt obligation. The scheduled payment column in the above schedule reflects the anticipated payment schedule assuming that the bonds continue to be successfully remarketed.

NOTE 4 INVESTMENTS

Investments, stated at fair value, consist of the following as of December 31:

	2016	2015
Cash and Cash Equivalents	$ 4,467,860	$ 2,327,707
Corporate Bonds and Fixed Income Mutual Funds	1,003,969	945,817
U S Common Stock and Equity Mutual Funds	14,921,057	12,937,654
Other	443,865	422,466
Total Investments	$ 20,836,751	$ 16,633,644

NOTE 5 FAIR VALUE MEASUREMENTS

The Foundation 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 Foundation values all other assets and liabilities refer to Note 2 – Summary of Significant Accounting Policies.

FV stock =
14,921,057+443,865+
4,467,860=
19,832,782
Cost Stock =
11,340,436+460,361+4,467,860 =
16,268,657
See TF workpapers for cost

T, R

T'R

NOTE 5 FAIR VALUE MEASUREMENTS (CONTINUED)

Assets and liabilities measured at fair value on a recurring basis as of December 31 are as follows:

	2016				
	Level 1	Level 2	Level 3	Total	Cost
Corporate Bonds					
Fixed Income Mutual Funds	$ 2,146	$ 1,001,823	$ - T, R	$ 1,003,969	985,578 T'R
U S Common Stock					
and Equity Mutual Funds	14,921,057	-	-	14,921,057	11,340,436
Other	443,865	-	-	443,865	460,361
Subtotal	15,367,068	1,001,823	-	16,368,891	
Cash and Cash Equivalents	-	-	-	4,467,860	4,467,860
Total Assets	$ 15,367,068	$ 1,001,823	$ -	$ 20,836,751	
Interest Rate Swap Liability	$ -	$ 812,346	$ -	$ 812,346	
Total Liabilities	$ -	$ 812,346	$ -	$ 812,346	

	2015			
	Level 1	Level 2	Level 3	Total
Corporate Bonds				
Fixed Income Mutual Funds	$ 2,146	$ 943,671	$ -	$ 945,817
U S Common Stock				
and Equity Mutual Funds	12,937,654	-	-	12,937,654
Other	422,466	-	-	422,466
Subtotal	13,362,266	943,671	-	14,305,937
Cash and Cash Equivalents	-	-	-	2,327,707
Total Assets	$ 13,362,266	$ 943,671	$ -	$ 16,633,644
Interest Rate Swap Liability	$ -	$ 1,630,282	$ -	$ 1,630,282
Total Liabilities	$ -	$ 1,630,282	$ -	$ 1,630,282

NOTE 6 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of time restrictions and purpose restrictions as follows:

	2016	2015
Imputed Interest on Below Market Loans	$ 40,282	$ 203,856
Land Held for Sale	24,258	24,258
Note Receivable	18,716	21,425
Beneficial Interest in Charitable Remainder Unit Trust	553,248	553,877
Temporarily Restricted Net Assets	$ 636,504	$ 803,416

NOTE 7 LAND UNDER LONG-TERM LEASE

The Foundation owns land in Alexandria, Minnesota which it leases to a bank. The term of the lease is 50 years and commenced on October 1, 1970. Under the terms of the lease, the Foundation receives payments monthly. Monthly rents are adjusted periodically throughout the lease based on changes in the Consumer Price Index for All Urban Areas. Rental income is recognized straight line over the length of the lease term. Total rental income received under this lease was $68,471 and $68,306 for the years ended December 31, 2016 and 2015, respectively.

NOTE 8 OPERATING LEASES

The Foundation leases office space under a non-cancelable 240-month operating lease which expires November 30, 2025. Per the terms of the lease, the Organization pays base monthly rent, plus its proportionate share of real estate taxes and common area maintenance costs.

The minimum future rental commitment under the above operating lease is as follows:

Year Ending December 31,	Amount
2017	$ 19,350
2018	19,350
2019	19,350
2020	20,318
2021	20,318
Thereafter	80,464
Total	$ 179,150

University Lease

One of the Foundation's affiliates (Wedum St. Cloud Student Housing, LLC) has an operating lease with Minnesota State Colleges and Universities (MNSCU) on behalf of St. Cloud University (the University) for all apartment units in the project. The lease term of 10 years expires in August 2020. The University leases the units to students of the University. The lease revenue is accounted on a straight-line basis, which results in a long-term lease receivable of $916,517 and $950,663 at December 31, 2016 and 2015, respectively. The lease revenue for both years 2016 and 2015 is $3,679,766.

One of the Foundation's affiliates (Wedum University Village, LLC) has an operating lease with the University of Minnesota (the University) for 112 of the apartment units in the project. The lease expires August 31, 2019. The lease revenue is accounted on a cash basis in accordance with the terms of the lease. The long-term lease receivable balance is $153,596 and $245,756 at December 31, 2016 and 2015, respectively. The lease revenue for 2016 and 2015 is $2,304,198 and $2,469,218, respectively.

NOTE 8 OPERATING LEASES (CONTINUED)

Retail Lease

Wedum St. Cloud Student Housing, LLC has an operating lease with W 300 Block, LLC (the Master Tenant) for the retail portion of the project. The Master Tenant subleases the retail space to several retail tenants. The lease term of 60 years expires on December 31, 2070. The lease revenue is accounted on a straight-line basis, which results in a long-term lease receivable of $396,149 and $341,415 at December 31, 2016 and 2015, respectively. The lease revenue for both years 2016 and 2015 is $262,634. Wedum St. Cloud Student Housing, LLC also has an operating lease with the University for the Welcome Center. The lease term of 15 years expires in August 2025 and may be extended for up to 5 years. The lease revenue is accounted on a straight-line basis, which is in accordance with the lease terms. The lease revenue for both years 2016 and 2015 is $171,600.

Wedum University Village, LLC has an operating lease with University 25, LLC (the Master Tenant) for the retail portion of the project. The long-term lease receivable balance is $181,024 and $188,896 at December 31, 2016 and 2015, respectively. The lease revenue is accounted on a straight-line basis, which results in a long-term lease receivable of $242,396 and $214,615 at December 31, 2016 and 2015, respectively. The lease revenue for 2016 and 2015 is $249,439 and $248,118, respectively.

Minimum future lease payments to be received are as follows:

Year Ending December 31,	Amount
2017	$ 4,409,302
2018	4,485,066
2019	4,562,342
2020	3,234,593
2021	471,983
Thereafter	18,366,328
Total	$ 35,529,614

NOTE 9 PREPAID LAND LEASES

One of the Foundation's affiliates (17^{th} Avenue Housing, LLC) leases the land on which the project is located from the University Episcopal Center. The lease term is for 61 years and 1 month ending October 31, 2063. The rent for the term of the lease was paid in advance and is being amortized over 60 years using the straight-line method.

The project also leases approximately 10,000 square feet on the ground floor to the University Episcopal Center under an operating lease. The lease term is 61 years and 1 month ending August 31, 2063. The rent for the term of the lease was paid in advance and is being recognized as revenue by the project over the occupied term of 60 years using the straight-line method.

NOTE 10 MANAGEMENT FEES

The Foundation's affiliated organizations contract with various management companies for property management services. These fees vary by property and by management company, but typically call for a certain percentage of rental income collected, or an amount per unit to be paid to the management company. Total management fees paid by affiliates to external management companies are as follows:

	2016	2015
SilverCrest Properties, LLC	$ 384,065	$ 374,607
Great Lakes Management Company	1,088,755	1,102,322
EJ Plesko & Associates, Inc	148,320	146,124
Total Management Fees	$ 1,621,140	$ 1,623,053

NOTE 11 CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash, deposits, reserve, and escrow funds in bank deposit accounts which, at times, may exceed federally insured limits.