A MESSAGE FROM
LARRY KORF, BOARD OF TRUSTEES CHAIR

Our 14 counties cover 12,000 square miles. In and amongst our many lakes and rivers are 162 hometowns and two tribal nations. It’s a place that more than 700,000 people call home. And it’s here that the Initiative Foundation has been partnering for more than 30 years to create opportunity and enhance the region’s quality of life.

Thank you for your generous and unwavering support during this three-decade mission.

Since inception, the Initiative Foundation has been carefully guided by founding President Kathy Gaalswyk. In December 2016, following a six-month national search, the Foundation announced that Matt Varilek would succeed Kathy as the organization’s president. Matt brings a wealth of experience—most recently as chief operating officer for the U.S. Small Business Administration.

While standing on the shoulders of those that came before us, we believe we are well positioned to do more good in Central Minnesota for many years to come.

We remain grounded in the belief that local people have the skills, knowledge and motivation to build thriving communities and a vibrant region across Central Minnesota. We’re driven by a vision—and a deep and well-rooted belief—that our slice of Central Minnesota heaven is an ideal place where people choose to live, work, give and play. And we’re guided by a core set of tried and tested values that guide our service and our work—individually and together as a team.

With thanks and gratitude, the Initiative Foundation in 2016 received gifts from 430 donors—individuals, families, businesses, counties, cities, organizations and other foundations—who envision a stronger, more vibrant future for the region.

During that same time, and in conjunction with our 84 hosted Partner Funds, we awarded 266 grants and scholarships totaling $2.1 million to help nonprofits and communities thrive.

You are an important partner in making this work a success. Together, we’re strengthening Central Minnesota—not just for today, but for future generations, too.

Thank you, as always, for your past and future support.

MATT VARILEK
President

KATHY GAALSWYK
Past President

2016 MISSION CRITICAL ACHIEVEMENTS

<table>
<thead>
<tr>
<th>ECONOMY</th>
<th>COMMUNITY</th>
<th>PHILANTHROPY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversify Region, Increase Opportunities</td>
<td>Build a Region to Live, Work, Give &amp; Play</td>
<td>Inspire People to Invest in the Region</td>
</tr>
</tbody>
</table>

In all its work, the Initiative Foundation strives to provide cradle-to-career support for economic and community development, and for inspiring philanthropy throughout the region. In 2016, we achieved the following key metrics:

- **238** quality jobs were created or retained
- **424** people benefited from increased workforce skills
- **1,346** workers retained/gained wage support through business financing and other programs
- **260** community entities were strengthened
- **32,533** children, parents and other caregiver were supported through education and awareness efforts
- **6** natural and cultural amenities were improved

$2.9 million in financial resources were leveraged for the Initiative Foundation

$15.5 million in financial resources were leveraged for Foundation partners

$2.8 million worth of volunteer time was inspired

2016 Annual Report
**OUR WORK:**

Our approach is steeped in the knowledge that economy, community and philanthropy are intertwined. Working with our partners we...

- Provide loans to businesses that create quality jobs
- Award grants to nonprofits, local governments and schools
- Help generous people give back to their communities
- Publish illuminating information on local trends and solutions
**OUR NUMBERS**

**Sources of Funds: $10,931,592**
- Grants & Contributions ........................................ $ 3,888,349 | 35%
- Investment Income ........................................... $ 3,666,694 | 34%
- Business Financing Revenue & Repayments ............. $ 3,088,958 | 28%
- Other Operating Revenue ..................................... $ 294,591 | 3%

**Uses of Funds: $9,462,500**
- Economic Development, Business Financing, Investments ........ $ 3,906,987 | 41%
- Grants, Scholarships & Fellowships ....................... $ 2,165,915 | 23%
- Programs ........................................................ $ 1,505,670 | 16%
- Foundation Operations ........................................ $ 923,119 | 10%
- Communications & IQ Magazine ........................... $ 337,883 | 6%
- Fund Development .............................................. $ 422,925 | 4%

**ECONOMIC DEVELOPMENT, BUSINESS FINANCING, INVESTMENTS**
- Inspire Local Ownership, Quality Jobs

**Investment Total:** $3,906,987
- Operations/Technical Assistance $1,254,490 | 32%
- Manufacturing/Construction $1,075,000 | 28%
- Healthcare/Service $495,434 | 21%
- Retail/Wholesale $508,103 | 13%
- Technology/Green $120,000 | 3%
- Housing 60,000 | 2%
- Nonprofit 40,000 | 1%

**GRANTS, SCHOLARSHIPS & FELLOWSHIPS**
- Empower People

**Investment Total:** $2,165,915
- Partner Funds $702,940 | 32%
- Healthy Lakes & Rivers $495,887 | 23%
- Innovation Fund $343,743 | 16%
- Early Childhood/Dental Network $348,870 | 16%
- Economic Development $100,500 | 5%
- Scholarships & Fellowships $84,925 | 4%
- Thriving Communities Initiative $67,250 | 3%
- Organizational Development $22,000 | 1%

**PROGRAMS**
- Create Thriving Communities

**Investment Total:** $1,505,670
- Thriving Communities/Early Childhood $881,049 | 45%
- Organizational Development $289,292 | 20%
- Volunteers in Service to America $240,749 | 16%
- Partner Funds/ Special Projects $198,194 | 13%
- Initiators Fellowship $96,386 | 6%

**Endowment Value**
- $44.7 Million
- Total Assets
- $63.1 Million

A complete audit report prepared by Schlenner Wenner & Co. is available upon request. For a summary of the Initiative Foundation’s impact on the region since inception, visit ifound.org/about-us/annual-reports.
OUR FRIENDS

Initiative Foundation Program & Endowment Contributors 2012-2016

Our connection with you helps us stay true to the promise of our mission:
To empower people to build thriving communities and a vibrant region across Central Minnesota.

Your support of the Initiative Foundation’s unrestricted endowment fund is the financial backbone of our long-term success. The endowment provides resources each year for staff to work with local leaders to encourage economic development, help businesses get started or expand, provide workforce and leadership skills and build early childhood programs to help communities thrive.

Crimson $50,000+
Blandin Foundation
Bush Foundation
Cass County
City of Hanover – Loan Fund
Connexus Energy
Corporation for National
& Community Service
Crow Wing County
Delta Dental of Minnesota
East Central Energy
Funders Network for Smart Growth
Granite Equity Partners
Lessard-Sams Outdoor
Heritage Council
The McKnight Foundation
Minnesota Paver, an Alltele Company
Minnesota Department of Employment
& Economic Development
Morgan Family Foundation
Nonprofits Assistance Fund
Opportunity Finance Network
Otto Bremer Trust
USDA Rural Development
Partner $30,000+
Benton County
Minnesota Department of Education
Morris County
Pine County
Schlager, Inc.
Sherburne County
Stearns County
Stearns Electric Association
West Central Telephone Association
Wright County
Xcel Energy Foundation
Principal $20,000+
Benton County
Blue Cross Blue Shield of Minnesota
Bremer Bank, Bremer
Bremer Bank, Saint Cloud
City of Baxter
City of Brainerd
City of Little Falls
City of Saint Cloud
CLA Foundation
Gold’n Plump Company
Isanti County
Mandag Foundation
National Joint Powers Alliance
U.S. Bancorp Foundation
Executive $15,000+
CentraCare Health Foundation
Clow Stamping Company
MidMinnesota Federal Credit Union
Todd County
Leader $10,000+
AgStar Fund for Rural America/AgStar
Financial Services
Anonymous Donor
Brainerd Lakes Area Community
Foundation
Cambridge Medical Center/Allina
Health
Duluth County HRA-EDA
City of Elk River
City of Milaca
City of Monticello
City of Mora
City of Princeton
City of Saint Michael
City of Sartell
City of Wadena
Consolidated Telecommunications
Company
Crow Wing Power
dZurik, Inc.
Eich Motor Company
Essentia Health-St. Joseph’s
Foundation
First National Bank of Milaca
Kathy & Neal Gaalswyk
Schlaffer Wilner & Co.
Director $7,500+
Avion Communication Systems,
Perham
Bank of the West
Center for Nonprofit Excellence
and Social Innovation
City of Cambridge
City of Long Prairie
City of Melrose
City of Sauk Rapids
Gray Plant Mooty
Lee & Jan Hanses
Manufacturing Fund of Central
Minnesota
Mille Lacs County
Wadena County
Associate $5,000+
American Heritage National Bank,
Saint Cloud, Long Prairie,
Browerville
Avantech
BankVista
Benton Cooperative
Telecommunications
Citizens State Bank of Waverly
City of Big Lake
City of Crosslake
City of Lake Shore
City of Maple Lake
City of Nisswa
City of Pierz
City of Rockford
City of Saint Joseph
City of Sandstone
City of Staples
CliftonLarsonAllen LLP, Saint Cloud
Dominion National Bank
Falls Fabricating
Farmers & Merchants State Bank
Don & Sandra Kaplan
Kanabec County
Jo & Larry Korf
Larson Boats, LLC
LINDAR Corporation
Little Falls Area Chamber of
Commerce
Marco, Inc.
Medica Foundation
MINPACK, Inc.
Neighborhood National Bank
NOR-SON, Inc.
The Hyland Foundation of the Saint
Paul Foundation on behalf of the
Peoples Bank of Commerce
Pequot Tool & Manufacturing, Inc.
Pine Country Banks
SEH, Inc.
Rita & Everett Sobania
Stearns Bank
Stemb Rubber
Gene & Bernita Waldorf
Widseth Smith Nolting &
Associates
Entrepreneur $2,500+
American National Bank
of Minnesota, Pequot Lakes
Atomic Learning, Inc.
John E. Babcock
Rick & Helga Beaulieu Family Fund
of Central Minnesota
Community Foundation
Don & Marie Bullert
Lynne & Darren Bushinger
City of Albertville
City of Amundale
City of Beatrice
City of Braham
City of Breezy Point
City of Cold Spring
City of Clarissa
City of East Gull Lake
City of Eden Valley
City of Emily
City of Fifty Lakes
City of Foley
City of Isanti
City of Menahga
City of Pine City
City of Randall
City of Rockville
City of Sauk Centre
City of Sebeka
City of Swanville
City of Waite Park
CliftonLarsonAllen LLP, Brainerd
Community Giving
Emily Cooperative Telephone Company
Bruce & Mary Fogle
Pat & Carmel Gottham
David Guenes
Linda Holliday & Barry Brodmarkle
McCord Company
Daniel & Sue Meyer
Microbiologics, Inc.
Midwest Security & Fire
Minnesota National Bank
Park Industries, Inc., Fund
of the Central Minnesota
Community Foundation
Glasby M. Paulson Estate
Earl & Christine Potter
Randall State Bank
River/Wood Banks
Rothcooper, Inc.
Mike & Dorothy Simpson
State Bank of Cold Spring
The Bank of Elk River
Todd-Wadena Electric Cooperative
Tim & Carrie Tripp
Ludmila Voelker
Wadena State Bank
Investor $1,000+
John J. & Debbie Babcock
Dick & Mimi Bitzen Family Fund
of Central Minnesota Community
Foundation
BlackRidgeBank
Brenny Transportation
Bridges of Hope
Central Lakes College Foundation
City of Albany
City of Avon
City of Backus
City of Belgrade
City of Bertha
City of Brooten
City of Cass Lake
City of Center City
City of Clearwater
City of Cohocton
City of Delano
City of Eagle Bend
City of Freeport
City of Genoa
City of Grey Eagle
City of Hanover
City of Hinckley
City of Holdingford
City of Howard Lake
City of Isla
City of Lindstrom
City of Montrose
City of Motley
City of Onamia
City of Osseo
City of Pequot Lakes
City of Plover
City of Rice
City of Royalton
City of South Haven
City of Taylors Falls
City of Upsala
City of Vierling
City of Walker
City of Waverly
Crooked Lake Township
Diamond Tool & Engineering, Inc.
Donlar Construction
Don & Deanna Engen
Chris Faster & Kathy Hakes-Faster
First National Bank in Wadena
First National Bank North, Walker
First State Bank of Wyoming
Flagship Bank Minnesota
Fransden Bank & Trust, Baxter,
Crosslake, Nisswa, Foley, Braham,
Forest Lake & Pine City
Dan & Annette Frank
Grand View Lodge
Happy Dancing Turtle
HBH Consultants
IPEX, Inc.
Arnold S. Johnson Enterprises, LLC
Michelle Klain
Matt & Jeanne Kilian
Kris & Ken Kowalzek
Lake of the Woods
Lake Superior
Lathy & Karen Lundblad
Mathewson Insurance
MPF, Inc.
Minnesota Dental Foundation
Minnesota Economic Development
Foundation
The Moran Family Fund of the Central
Minnesota Community Foundation
Martin & Susan Parades
Pine Technical & Community College
Plaza Park Bank
Phillip & Susy Prasopio
Saint Cloud State University
Foundation
Saint Cloud Technical & Community College
John & Bonnie Schlagel

2016 Annual Report
Nearly $2.1 million was awarded in 2016 to 266 nonprofits in support of their critical services and social enterprise activities. Partner Fund and scholarship award listings are available at ifound.org/community/grants/grant-awards.
GRANT AWARDS (Continued)

Catholic Foundation of the Diocese of St. Cloud
St. Cloud

CentraCare Health Foundation, St. Cloud

Central Lakes College Foundation, Brainerd

Central Minnesota Boys Choir, Staples

Central Minnesota Council of Boy Scouts of America, Sartell

Central Minnesota Housing Partnership, St. Cloud

Central Minnesota Jobs & Training, Monticello

Central Minnesota Taskforce on Battered Women, St. Cloud

Children’s Dental Services, Inc., Minneapolis

Chicago County EDA, North Branch

Church of St. Dominic, Norwood

City of Big Lake, Big Lake

City of Cambridge, Cambridge

City of Crosslake, Crosslake

City of Delano, Delano

City of Fifty Lakes, Fifty Lakes

City of Melrose, Melrose

City of Milaca, Milaca

City of Monticello, Monticello

City of Sandstone, Sandstone

City of Sartell, Sartell

City of St. Cloud, St. Cloud

City of Staples, Staples

City of Wadena, Wadena

City of Wahkon, Wahkon

City of Wyoming, City of Wyoming

College of Saint Benedict, St. Joseph

College Possible, St. Paul

College-Link, St. Cloud

Commercial Exchange Corp., Melrose

Community Aid of Elk River (CAER), Elk River

Community Care of Share Cafe, Emily

Community Grassroots Solutions, Waite Park

CommunityGiving, St. Cloud

County Lakes Education Foundation, Deerwood

Crow Wing County, designer

Cuyuna Range Youth Center, Crosby

Delano School District, Delano

Dreams United/Sueltos Unidos, Long Prairie

East Central Regional Development Commission, Mora

East Twin Lake Association, Pequot Lakes

Economic Development Partnership of Wright County, Rockford

Eden Valley Area Library, Eden Valley

Elk River School District, Elk River

Employment Enterprises, Inc., Little Falls

Esperance Education Institute, Mitchell, S.D.

Essentia Health Foundation, Brainerd

Faith Lutheran Church, Staples

Family Pathways, North Branch

First United Methodist Church of the St. Cloud Region, Sartell

Fish Trap Lake Property Owners Association Cushing

Flyer Athletic Boosters, Little Falls

Foley School District, Foley

Franciscan Sisters of Little Falls, Little Falls

Freshwater Education District, Staples

Friends of Sherburne National Wildlife Refuge, Zimmerman

Friends of the Mississippi River, St. Paul

Funders Network for Smart Growth & Livable Communities, Coral Gables, Fla.

Gateway Institute for Research and Development, Minneapolis

Goodwill Industries, Inc., St. Paul

Great River Arts Association, Little Falls

Great River Educational Arts Theatre, Waite Park

Greater St. Cloud Development Corp., St. Cloud

Greater Twin Cities United Way, Minneapolis

Green Card Voices, Minneapolis

Habitat for Humanity of Morrison County, Little Falls

Hackensack Senior Citizens Center, Inc., Hackensack

Hands Across the World, St. Cloud

Helping Hands Outreach, Hinckley

Higher Ground Church, Waite Park

Hillman Area First Response Team, Hillman

Holy Family Church Belville Prairie, Little Falls

Holy Trinity Catholic School, Pierz

International Mountain Bicycling Association, Deerwood

Isanti County, Cambridge

Isanti County Humane Society, Cambridge

Isle School District, Isle

James & Elizabeth Ilies, Melrose

Junior Achievement of the Upper Midwest, Maplewood

Kanabec County Economic Development Authority, Mora

Kanabec-Pine Community Health, Mora

Kirkship Partners, Inc., Staples

Koronis Lake Association, Paynesville

Lake Region Christian School, Baxter

Lakes Area Habitat for Humanity, Brainerd

Lakes Area Interfaith Caregivers, Baxter

Lakes Area Music Festival, Brainerd

Lakes Area Pregnancy Support Center, Brainerd

Lakewood Health System, Staples

Lakewood Health System Foundation, Staples

LEAP, Inc., Staples

Leech Lake Band of Ojibwe Cass Lake

Leech Lake Financial Services, Cass Lake

Lisa’s on Main, Melrose

Little Falls School District, Little Falls

Longville Area Community Foundation, Longville

Lutheran Social Service of Minnesota, St. Cloud

Mayo Clinic, Rochester

McDonald Realty, Inc., Sauk Centre

Mid-Minnesota Women’s Center, Inc., Brainerd

Mid-State Education District, Little Falls

Milaca Area Historical Society, Milaca

Milaca Fine Arts Council, Milaca

Milaca Friends of the Library, Milaca

Milaca Scholarship Foundation, Milaca

Milaca School District, Milaca

Milestones, Waite Park

Mille Lacs Band of Ojibwe, Onamia

Mille Lacs County, Milaca

Mille Lacs Health System, Onamia

Mindful Generations, Inc., Monticello

Minnesota Assistance Council for Veterans, St. Paul

Minnesota Association for Volunteer Management (MAVA), Maplewood

Minnesota Council of Nonprofits, St. Paul

Minnesota Council on Foundations, Minneapolis

Minnesota Foundation, Sartell

Minnesota Safe Ride, Cambridge

Minnesota State Veterans Cemetery Association, Little Falls

Monticello School District, Monticello

Morrison County, Little Falls

Morrison County United Way, Little Falls

National Joint Powers Alliance, Staples

New Hampshire Charitable Foundation, Concord

New Munch Mutual Insurance Company, Melrose

New Pathways, Inc., Cambridge

Northern Technology Initiative, dba GPS 49:3, North Branch

Norfork Area Family YMCA, Northfield

Norfolk School District, Northfield

Northfield Touchdown Club, Northfield

Northland Foundation, Duluth

Northwest Minnesota Foundation, Bemidji

Notre Dame Academy, Mankato

Oakland Cemetery Association, Little Falls

Oasis Central Minnesota, Inc., Little Falls

Open Doors For Youth, Elk River

Opportunity Matters, Inc., Sartell

Palace City Pedalers Tour De Corn, Inc., Mitchell, S.D.

Paramount Arts Resource Trust, Inc., St. Cloud

Paws & Claws Animal Shelter, Hackensack

Pease Christian Reformed Church, Pease

Pierz School District, Pierz

Pillager School District, Pillager

Pine Area History Association, Pine City

Pine City Civic Center Association, Pine City

Pine City School District, Pine City

Pine Community Food Shelf, Pine City

Pine Cone Central Park Association, Sartell

Pine County, Pine City

Pine County Agriculture Society, Pine City

Pine Dragons Parent Teacher Organization, Pine City

Pine EMS, Inc., Pine City

Pine River-Backus School District, Pine River

Pine Technical College Foundation, Pine City

Prairie Woods Environmental Learning Center, Spicer

Prevent Child Abuse Minnesota, St. Paul

Primary Ciliary Dyskinesia Foundation, Minneapolis

Princeton School District, Princeton

Quality Innovations & Resources Corp., Sartell

Quarter Oaks Hospice House, St. Cloud

Regents of the University of Minnesota, Minneapolis

RESOURCES, Minnesota

Ridgewater College, Melrose

Rockville Area Sportsmen Club, Rockville

RCCOR Area Dollars for Scholars, Cold Spring

Rocori School District, Cold Spring

Rotary International Brainerd, Brainerd

Rotary International, Little Falls, Little Falls

Rural Minnesota CEP, Inc., Danitke Lakes

Rural Renewable Energy Alliance, Backus

Salen Lutheran Church, Deerwood

Sauk Rapids-Rice School District, Sauk Rapids

Second Harvest Heartland, St. Paul

Second Harvest North Central Food Bank, Inc., Grand Rapids

Service Corps of Retired Executives (Central Minnesota Chapter), St. Cloud

Sharing Bread Soup Kitchen, Brainerd

Sherburne County, Elk River

Sherburne County Area United Way, Elk River

Sioux Falls Area Community Foundation, Sioux Falls, S.D.

Someplace Safe, Wadena

Southern Minnesota Initiative Foundation, Owatonna

Southwest Initiative Foundation, Hutchinson

Spectrum High School, Elk River

St. Cloud Area Chamber of Commerce Foundation, St. Cloud

St. Cloud Area Family YMCA, St. Cloud

St. Cloud Area School District, St. Cloud

St. Cloud Downtown Council, St. Cloud

St. Cloud Neighborhood Coalition, St. Cloud

St. Cloud State University, St. Cloud

St. Cloud State University Foundation, St. Cloud

St. Cloud Technical & Community College Foundation, St. Cloud

St. Cloud Technical and Community College, St. Cloud

St. John’s Area School, Foley

Saint John’s University, Collegeville

Staples Area Men’s Choir, Staples

Staples Economic Development Authority, Staples

Staples Midway Beyond Poverty, Stapleton

Staples Motley School District, Staples

Steamo-Benton Employment & Training Council, St. Cloud

St. Sullivan Lake First Responder, Pierz

The Church on The Wise Road, Brainerd

The Salvation Army, St. Cloud

The Yes Network, St. Cloud

Thumbs Up High 5K, Elk River

Tiendo Mexicana La Mas Barata La Morenta, Melrose

Tires Islas Orphanage Fund, Coeur D’Alene, Idaho

Tri-County Action Program, Inc., Waite Park

Trinity Lutheran Church of Milaca, Milaca

True Friends, Annandale

Unique Boutique, Melrose

United Way of Central Minnesota, St. Cloud

Unity Family Healthcare, Little Falls

University of Minnesota Foundation, Minneapolis

University of St. Thomas, St. Paul

Volunteers of America of Minnesota, Edina

Wadena County, Wadena

Wadena-Deer Creek School District, Wadena

Wellness Healthcare, Inc., Melrose

Wellness in the Woods, Inc., Vermdale

West Central Initiative, Fergus Falls

Winter Wonderland Figure Skating Club, Inc., Little Falls

Wright County Community Action, Inc. Maple Lake

Youth for Christ, Inc., Central Minnesota

St. Cloud

Youth Frontiers, Inc., Minneapolis

Youth Investment Foundation, Medina


The Initiative Foundation is certified as a Community Development Financial Institution by the U.S. Department of the Treasury and proudly bears certification from the U.S. Small Business Administration as a Community Advantage Lender. The Foundation meets rigorous national standards established by the Council on Foundations, has attained the highest four-star rating on financial health, accountability and transparency from Charity Navigator and is recognized for meeting standards for accountability and openness through the Charities Review Council.
OUR PARTNERS
Loans & Equity
Investments

The Initiative Foundation invested $2.55 million in 28 locally owned businesses in 2016. Through those loans, 211 quality jobs were secured and $14 million in private investment was leveraged.

Lake Superior Laundry, Inc., Pine City
New Earth Technologies, LLC, Baxter
JenTis, LLC, Backus
Franconia Restaurant Enterprises, Inc., Taylor Falls
RACoJi, LLC, Sauk Centre
Clay Leasing, LLC, Saint Michael
LADA Properties, LLC, Elk River
IFP, Inc., Nisswa
Syvantis Technologies, Inc., Baxter
Hunts Point, LLC, Pequot Lakes
Eagles Cove Resort, LLC, Mora
Bandit Properties, LLC, Crosslake
Coyuna Cycle Company, Inc., Baxter
HPH Holdings, LLC, Baxter
Ace & R, LLC, Big Lake
RPF, LLC, Isanti
RJ Limited, LLC, Princeton
Stone Source of Minnesota, Inc., Little Falls
Thunder Road Properties, LLC, Waite Park
Sand Dunes Properties, LLC, Big Lake
DAYTA Marketing, LLC, Waite Park
Corral Auto Repair LLC, Brainerd
Pelican View Properties, LLC, Baxter
VanPro, Inc., Cambridge
Hill Capital Corporation, St Paul
Serenity Estates, Royalton
Microbiologics, Inc., St Cloud
United Cerebral Palsy of Central Minnesota, St Cloud

Partner Funds

The Foundation in 2016 served as fiscal host for 84 Partner Funds valued at more than $11 million. These funds allow donors to focus on charitable needs while leaving the administrative tasks to the Initiative Foundation.

Community Funds
Delano Community Foundation
Greater Pine Area Endowment, Pine City
Isle Area Community Foundation
Longville Area Community Foundation Endowment
Morrison County Area Foundation
Rum River Community Foundation, Milaca Area
Staples-Morley Area Community Foundation
Three Rivers Community Foundation, Elk River

Education Funds
Coyuna Lakes Education Foundation, Crosby-Ironton
Pillager Education Foundation
Sauk Rapids-Rice Education Foundation
The 482 Education Foundation of Little Falls Community Schools

Donor-Advised Funds
Anderson Brothers Family Fund, Brainerd
Bob & Marsha Burger Endowment Fund, Milaca
Bruce & Diane Soltman Fund, Clearwater
Chuck Christian Community Spirit Fund, Elk River
Edelburn Family Fund, St. Cloud
Gaalswyk Family Fund, Brainerd
Granite Equity Partners Fund, St. Cloud
Hanowski Family Fund, Little Falls
Jane & Patrick Mitchell Foundation, Cold Spring
Jim & HK Stuart Memorial Fund
John & Bonnie Schlagel Endowment, Cambridge
Josh Richardson Family Fund, Elk River
Julius & Tracy Kuripius Fund, Staples
Loren & Kathy Morey Family Fund, Staples
Mark Wood Foundation, Little Falls
Mel & Jeanette Beaudry Fund, Elk River
Paula and Chad Becker Fund*
Quiet Oaks Hospice House Family Fund

Scholarship Funds
Alternative Sources of Energy Fund, Milaca
Archie & Isabelle Powell Scholarship Fund, Elk River
Betty Ford Menzel Scholarship Fund, Crosby-Ironton
Beverly M. Panteck Scholarship Fund, Little Falls
Bob & Pauline Johnson Scholarship Fund, Isle
Bob Wright Memorial IFPA Scholarship Fund, Regional
Donn Family Fund
Holdingford Scholarship Fund
Little Falls Scholarship Fund
Madden’s Pine Beach Scholarship Fund, Pillager
Minnesota Christian Writers Scholarship Fund*
Pillager Scholarship Fund
Shawn Grimmner Memorial Scholarship Fund, Little Falls
Staples KoC-Lloyd & Marion Giddings Scholarship Fund
William & Ethel Nelson-Zimmerman Scholarship Fund, Royalton
ZES Scholarship Fund, Zimmerman

Designated Funds
Lake Region Conservation Club
Scott & Jane Stuart Memorial Park Fund

Agency Funds
Big Birch Lake Endowment Fund
Bridges Manufacturing Workforce Development Fund*
Conservancy Fund of Big Fish Lake Association Fund
Conservancy Fund of Roosevelt and Lawrence
Area Lakes Association
Central MN CEO Fund, Staples
Fish Trap Lake Endowment Fund
Friends of Sherburne Nat’l Wildlife Refuge Fund
Gull Chain Preservation Endowment Fund
Horizon Health Partnership in Life Fund, Pierz
Land and Waters Preservation Trust, Cass & Crow Wing
Leech Lake Area Watershed Foundation
Minnesota Pioneer Park Endowment Fund, Annandale
Paws & Claws Animal Shelter, Hackensack
Sacred Heart-Knights of Columbus Fund, Staples
Wright County Historical Society Fund

Field of Interest Funds
Crow Wing Environment Protection Advised Fund
Delano Emergency Family Fund
Family Farm Fund, Regional
Manufacturing Fund of Central MN, Regional
Playing it Forward: The Kenneth & Evelyn Pinkney ‘Young Musicians’ Fund*
The Initiators’ Fund
Thrive Fund, Sauk Rapids-Rice
The Lakes Area Medical Development Association Fund

Special Projects
Brainerd Splash Pad Project*
Melrose Area Relief Fund*
NJPA Innovative Schools Project*
Oakland Cemetery Fund, Little Falls
Sartell Wheel Park Fund
Sartell DQGAP Fund
Veteran’s Art Project Fund, Camp Ripley
Wadena Regional Wellness Center Fund

Business Loan Funds
Menahga Loan Fund
Princeton Economic Development Loan Fund
St. Cloud State University Microlending Fund
Todd-Wadena Economic Development Loan Fund
Wadena Tomahawk Relief Loan Fund

* Indicates new Partner Funds created in 2016

2016 Annual Report
INITIATIVE FOUNDATION
STATEMENTS OF FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

**ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$1,428,703</td>
<td>1,046,240</td>
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<tr>
<td>Restricted Cash</td>
<td>906,125</td>
<td>926,251</td>
</tr>
<tr>
<td>Investments - Short-Term</td>
<td>547,887</td>
<td>633,440</td>
</tr>
<tr>
<td>Pledges Receivable, Current</td>
<td>321,371</td>
<td>399,971</td>
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<tr>
<td>Grants Receivable</td>
<td>405,296</td>
<td>143,809</td>
</tr>
<tr>
<td>Loans Receivable, Current</td>
<td>1,189,557</td>
<td>1,150,000</td>
</tr>
<tr>
<td>Interest Receivable</td>
<td>31,688</td>
<td>37,881</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>49,138</td>
<td>65,991</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>33,728</td>
<td>37,168</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>4,913,493</td>
<td>4,440,751</td>
</tr>
<tr>
<td><strong>INVESTMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>45,552,336</td>
<td>44,896,145</td>
</tr>
<tr>
<td><strong>PROPERTY AND EQUIPMENT, NET</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,899,798</td>
<td>1,955,837</td>
</tr>
<tr>
<td><strong>OTHER ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pledges Receivable, Less Current Portion and Net of Allowance for Doubtful Accounts and Discount of $14,470 and $20,822</td>
<td>148,996</td>
<td>228,670</td>
</tr>
<tr>
<td>Loans Receivable, Less Current Portion and Net of Allowance for Loan Losses of $743,426 and $815,943</td>
<td>7,092,838</td>
<td>6,966,973</td>
</tr>
<tr>
<td>Investment in Unlisted Securities</td>
<td>3,459,778</td>
<td>2,544,553</td>
</tr>
<tr>
<td><strong>Total Other Assets</strong></td>
<td>10,701,612</td>
<td>9,740,196</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$63,067,239</td>
<td>$61,032,929</td>
</tr>
</tbody>
</table>
## LIABILITIES AND NET ASSETS

### CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>73,146</td>
<td>79,423</td>
</tr>
<tr>
<td>Accrued Interest Payable</td>
<td>4,294</td>
<td>4,512</td>
</tr>
<tr>
<td>Accrued Expense</td>
<td>217,846</td>
<td>158,655</td>
</tr>
<tr>
<td>Annuities Payable, Current</td>
<td>15,033</td>
<td>14,420</td>
</tr>
<tr>
<td>Rural Economic and Community Development Loan Payable, Current</td>
<td>118,473</td>
<td>117,284</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>275,389</td>
<td>468,081</td>
</tr>
<tr>
<td>Unpaid Grant Obligations</td>
<td>618,002</td>
<td>450,908</td>
</tr>
<tr>
<td>Note Payable, Current</td>
<td>243,750</td>
<td>750,000</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>1,565,933</td>
<td>2,043,283</td>
</tr>
</tbody>
</table>

### LONG-TERM LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Guarantee Liability</td>
<td>102</td>
<td>187</td>
</tr>
<tr>
<td>Refundable Advance - Affiliated Funds</td>
<td>234,849</td>
<td>217,663</td>
</tr>
<tr>
<td>Annuities Payable, Less Current Portion</td>
<td>77,995</td>
<td>82,905</td>
</tr>
<tr>
<td>Rural Economic and Community Development Loan Payable, Less Current Portion</td>
<td>1,356,778</td>
<td>1,475,387</td>
</tr>
<tr>
<td>Notes Payable, Less Current Portion</td>
<td>752,250</td>
<td>996,000</td>
</tr>
<tr>
<td><strong>Total Long-Term Liabilities</strong></td>
<td>2,421,974</td>
<td>2,772,142</td>
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</table>

**Total Liabilities**

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,987,907</td>
<td>4,815,425</td>
</tr>
</tbody>
</table>

### NET ASSETS

**Unrestricted:**

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Designated for Endowment</td>
<td>21,021,188</td>
<td>19,785,817</td>
</tr>
<tr>
<td>Other Unrestricted</td>
<td>11,668,838</td>
<td>11,712,819</td>
</tr>
<tr>
<td><strong>Total Unrestricted</strong></td>
<td>32,690,026</td>
<td>31,498,636</td>
</tr>
<tr>
<td>Temporarily Restricted</td>
<td>5,742,748</td>
<td>4,530,881</td>
</tr>
<tr>
<td>Permanently Restricted</td>
<td>20,646,558</td>
<td>20,187,987</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>59,079,332</td>
<td>56,217,504</td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES AND NET ASSETS**

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 63,067,239</td>
<td>$ 61,032,929</td>
</tr>
</tbody>
</table>