



JEWISH FEDERATION OF GREATER METROWEST NJ AND AFFILIATES
Consolidated Financial Statements
June 30, 2024 and 2023
With Independent Auditor's Report

Jewish Federation of Greater MetroWest NJ and Affiliates
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June 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Jewish Federation of Greater MetroWest NJ and Affiliates:

Opinion

We have audited the consolidated financial statements of Jewish Federation of Greater MetroWest NJ and Affiliates, which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Jewish Federation of Greater MetroWest NJ and Affiliates as of June 30, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Jewish Federation of Greater MetroWest NJ and Affiliates and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 24 to the consolidated financial statements, the Jewish Federation of Greater MetroWest NJ and Affiliates has restated its opening balance of net assets as July 1, 2023, to correct certain errors. The Jewish Federation of Greater MetroWest NJ and Affiliate's consolidated financial statements contained errors related to the misclassification of certain individual funds. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Jewish Federation of Greater MetroWest NJ and Affiliate's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Jewish Federation of Greater MetroWest NJ and Affiliates' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Jewish Federation of Greater MetroWest NJ and Affiliates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position as of June 30, 2024, and 2023 and consolidating statements of activities and changes in net assets for the years ended June 30, 2024, and 2023 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Withum Smith & Brown, PC

January 13, 2025

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Financial Position
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u> <u>(Restated)</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 17,196,729	\$ 12,876,483
Restricted cash held in investment pool	36,696,913	28,763,436
Contributions receivable, net, current portion	51,075,969	20,901,340
Due from beneficiary agencies, net of allowance for doubtful accounts of \$1,616,900 and \$2,401,000 at June 30, 2024 and 2023, respectively	162,792	318,619
Loans receivable, current portion	760,439	274,111
Agency pension loan receivable, current portion	326,657	336,346
Other receivables, net	1,959,415	1,184,415
Other current assets	<u>1,891,843</u>	<u>3,199,393</u>
Total current assets	<u>110,070,757</u>	<u>67,854,143</u>
Noncurrent assets		
Investments, net of restricted cash held in investment pool	554,235,118	492,917,377
Due from beneficiary agencies, net of current portion	625,155	804,589
Contributions receivable, net of current portion	12,055,804	6,883,488
Loans receivable, net of current portion	694,091	1,715,683
Agency pension loan receivable, net of current portion	7,766,640	8,096,804
Loan participation interest receivable, net	8,655,292	67,139,328
Cash surrender value of life insurance, net	7,857,421	7,692,183
Property and equipment, held for rental, net	302,494	314,768
Property and equipment, net	<u>4,156,337</u>	<u>3,902,281</u>
	<u>596,348,352</u>	<u>585,564,220</u>
Total assets	<u>\$ 706,419,109</u>	<u>\$ 657,320,644</u>

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Financial Position
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u> <u>(Restated)</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 10,909,277	\$ 8,084,687
Bonds payable, current portion	550,000	550,000
Grants payable, current portion	8,123,666	7,609,559
Due to beneficiary agencies, current portion	64,690	128,942
Deferred revenue, current portion	48,222	2,330,960
Split interest agreements payable, current portion	146,969	237,833
Post retirement health benefits, current portion	43,400	41,100
Pension loan payable, current portion	567,059	544,510
Lease liability - financing, current portion	<u>70,485</u>	<u>66,316</u>
Total current liabilities	<u>20,523,768</u>	<u>19,593,907</u>
Long-term liabilities		
Bonds payable, net of current portion	5,765,000	6,315,000
Deferred revenue, net of current portion	1,456,405	1,496,594
Grants payable, net of current portion	11,969,449	15,480,643
Due to beneficiary agencies, net of current portion	14,305,130	21,371,339
Due to other organizations	74,947,845	71,558,780
Post retirement health benefits, net of current portion	330,265	347,814
Split interest agreements payable, net of current portion	1,637,563	1,295,139
Security deposits	144,900	144,900
Lease liability - financing, net of current portion	293,725	202,564
Pension loan payable, net of current portion	<u>13,335,894</u>	<u>13,902,934</u>
Total long-term liabilities	<u>124,186,176</u>	<u>132,115,707</u>
Total liabilities	<u>144,709,944</u>	<u>151,709,614</u>
Net assets		
Without donor restrictions	351,514,352	338,965,975
With donor restrictions	<u>210,194,813</u>	<u>166,645,055</u>
Total net assets	<u>561,709,165</u>	<u>505,611,030</u>
 Total liabilities and net assets	 <u>\$ 706,419,109</u>	 <u>\$ 657,320,644</u>

The Notes to Consolidated Financial Statements are an integral part of these statements.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statement of Activities and Changes in Net Assets
Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating activities			
Support and revenues			
Contributions	\$ 58,949,443	\$ 16,342,284	\$ 75,291,727
Bequests	1,120	28,000,000	28,001,120
Less: Donor designations	<u>(23,001,000)</u>	<u>-</u>	<u>(23,001,000)</u>
Net contributions	35,949,563	44,342,284	80,291,847
Rental income	3,241,096	-	3,241,096
Grants and contract revenue	2,098,419	-	2,098,419
Program and service fees	3,680,213	-	3,680,213
Investment return, net	42,940,259	11,905,377	54,845,636
Administrative fee revenue	1,132,629	-	1,132,629
Allocation of investment return to funds held for others	(8,630,733)	-	(8,630,733)
Valuation allowance	384,239	(688,535)	(304,296)
Gain on sale of property	1,975,480	-	1,975,480
Miscellaneous income	<u>289,631</u>	<u>-</u>	<u>289,631</u>
	83,060,796	55,559,126	138,619,922
Net assets released due to satisfaction of purpose and time restrictions	<u>12,510,868</u>	<u>(12,510,868)</u>	<u>-</u>
	<u>95,571,664</u>	<u>43,048,258</u>	<u>138,619,922</u>
Operating expenses			
Program services	66,139,392	-	66,139,392
Supporting services	<u>16,382,395</u>	<u>-</u>	<u>16,382,395</u>
	<u>82,521,787</u>	<u>-</u>	<u>82,521,787</u>
Total operating activities	<u>13,049,877</u>	<u>43,048,258</u>	<u>56,098,135</u>
Non-operating activities			
Reclassification due to change in donor designation	<u>(501,500)</u>	<u>501,500</u>	<u>-</u>
Total non-operating activities	<u>(501,500)</u>	<u>501,500</u>	<u>-</u>
Changes in net assets	12,548,377	43,549,758	56,098,135
Net assets			
Beginning of year	<u>338,965,975</u>	<u>166,645,055</u>	<u>505,611,030</u>
End of year	<u>\$ 351,514,352</u>	<u>\$ 210,194,813</u>	<u>\$ 561,709,165</u>

The Notes to Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statement of Activities and Changes in Net Assets
Year Ended June 30, 2023

	(Restated)		Total
	Without Donor Restrictions	With Donor Restrictions	
Operating activities			
Support and revenues			
Contributions	\$ 38,306,705	\$ 11,335,706	\$ 49,642,411
Bequests	1,391,164	-	1,391,164
Less: Donor designations	<u>(6,206,511)</u>	<u>-</u>	<u>(6,206,511)</u>
Net contributions	33,491,358	11,335,706	44,827,064
Rental income	3,255,063	-	3,255,063
Grants and contract revenue	829,971	-	829,971
Program and service fees	1,446,530	-	1,446,530
Investment return, net	33,871,202	11,572,818	45,444,020
Administrative fee revenue	1,027,771	-	1,027,771
Allocation of investment return to funds held for others	(8,876,442)	-	(8,876,442)
Valuation allowance	24,302	(587,648)	(563,346)
Miscellaneous income	<u>198,696</u>	<u>-</u>	<u>198,696</u>
	65,268,451	22,320,876	87,589,327
Net assets released due to satisfaction of purpose and time restrictions	<u>6,601,124</u>	<u>(6,601,124)</u>	<u>-</u>
	<u>71,869,575</u>	<u>15,719,752</u>	<u>87,589,327</u>
Operating expenses			
Program services	89,225,742	-	89,225,742
Supporting services	<u>9,361,587</u>	<u>-</u>	<u>9,361,587</u>
	98,587,329	-	98,587,329
Total operating activities	<u>(26,717,754)</u>	<u>15,719,752</u>	<u>(10,998,002)</u>
Non-operating activities			
Reclassification due to change in donor designation	(5,675,000)	5,675,000	-
Transfer of net assets	<u>(149,136,128)</u>	<u>-</u>	<u>(149,136,128)</u>
Total non-operating activities	<u>(154,811,128)</u>	<u>5,675,000</u>	<u>(149,136,128)</u>
Changes in net assets	(181,528,882)	21,394,752	(160,134,130)
Net assets			
Beginning of year	<u>520,494,857</u>	<u>145,250,303</u>	<u>665,745,160</u>
End of year	<u>\$ 338,965,975</u>	<u>\$ 166,645,055</u>	<u>\$ 505,611,030</u>

The Notes to Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u> <u>(Restated)</u>
Operating activities		
Changes in net assets	\$ 56,098,135	\$(160,134,130)
Adjustments to reconcile changes in net assets to net cash used in operating activities		
Depreciation and amortization	278,564	322,804
Loss on disposal of property	17,530	13,752
Change in cash surrender value of life insurance	(165,238)	4,697
Present value adjustments, grants payable and split interest agreements	2,429,017	883,938
Realized and unrealized gains on investments	(30,252,915)	(27,495,299)
Gain on sale of property	(1,975,480)	-
Gain on lease termination	(24,041)	-
Endowment contributions	(1,916,401)	(7,305,255)
Bad debt expense	4,455,913	178,141
Loan receivable forgiveness	800,000	20,000
Provision for (recovery of) losses on receivable	(538,213)	364,547
Donated securities	(905,133)	(650,269)
Changes in assets and liabilities		
Contributions receivable	(36,359,943)	2,739,980
Other receivables	(735,000)	(453,289)
Other assets	1,307,550	(2,267,051)
Accounts payable and accrued expenses	2,824,590	(2,055,799)
Grants payable	(3,874,893)	(4,047,168)
Split interest agreements payable	251,560	321,464
Transactions with beneficiary agencies	(6,811,200)	2,348,279
Deferred revenue	(2,322,927)	2,081,272
Due to other organizations, net	3,389,065	30,541,022
Post retirement health benefits	(15,249)	(47,984)
Net cash used in operating activities	<u>(14,044,709)</u>	<u>(164,636,348)</u>
Investing activities		
Purchase of building improvements and equipment	(353,876)	(507,705)
Proceeds from sale of property	1,975,480	-
Payments received on agency pension loan receivable	339,853	286,746
Issuance of loans receivable	(550,000)	-
Payments on loans receivable	285,264	275,167
Purchase of investments	(64,867,673)	(145,567,307)
Sale of investments	91,685,509	116,207,191
Investment in loan participation interest receivable	(2,973,406)	(3,205,141)
Net cash provided by (used in) investing activities	<u>25,541,151</u>	<u>(32,511,049)</u>

The Notes to Consolidated Financial Statements are an integral part of these statements.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u> <u>(Restated)</u>
Financing activities		
Endowment contributions	\$ 1,916,401	\$ 7,305,255
Payments on pension loan payable	(544,491)	(527,270)
Payments on bonds payable	(550,000)	(550,000)
Payments on lease liabilities - financing	<u>(64,629)</u>	<u>(56,799)</u>
Net cash provided by financing activities	<u>757,281</u>	<u>6,171,186</u>
 Net change in cash, cash equivalents and restricted cash	 12,253,723	 (190,976,211)
 Cash, cash equivalents and restricted cash		
Beginning of year	<u>41,639,919</u>	<u>232,616,130</u>
 End of year	 <u>\$ 53,893,642</u>	 <u>\$ 41,639,919</u>
 Supplemental disclosure of cash flow information		
Interest paid	<u>\$ 496,420</u>	<u>\$ 483,316</u>
 Non cash investing and financing activities		
Finance of property and equipment through capital lease	<u>\$ 323,033</u>	<u>\$ -</u>
Transfer of loan participation interest receivable to investments	<u>\$ 56,977,530</u>	<u>\$ -</u>

The Notes to Consolidated Financial Statements are an integral part of these statements.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statement of Functional Expenses
Year Ended June 30, 2024

	<u>Program Services</u>			<u>Supporting Services</u>				
	<u>Allocations and Grants</u>	<u>Program Services</u>	<u>Total</u>	<u>Management and General</u>	<u>Building Services</u>	<u>Fundraising Expenses</u>	<u>Total</u>	<u>Total</u>
Salaries	\$ -	\$ 6,382,169	\$ 6,382,169	\$ 2,294,969	\$ 626,380	\$ 1,890,575	\$ 4,811,924	\$ 11,194,093
Payroll taxes and fringe benefits	-	1,222,754	1,222,754	433,130	121,257	358,030	912,417	2,135,171
Grants to agencies	42,425,925	3,447,668	45,873,593	11,613	-	9,207	20,820	45,894,413
Allocations to affiliates	4,746,138	-	4,746,138	-	-	-	-	4,746,138
Purchased services	-	744,843	744,843	122,224	1,873	288,089	412,186	1,157,029
Office expense	-	555,282	555,282	387,267	14,514	249,536	651,317	1,206,599
Consultants	-	153,466	153,466	148,615	3,839	73,698	226,152	379,618
Dues, subscriptions and subsidies	-	13,365	13,365	7,024	200	114	7,338	20,703
Telephone	-	21,009	21,009	6,864	7,528	2,905	17,297	38,306
Occupancy, maintenance, housing	-	146,572	146,572	35,678	402,762	25,484	463,924	610,496
Program event expenses	-	4,088,077	4,088,077	1,517,599	3,579	1,067,046	2,588,224	6,676,301
Publicity and promotion	-	1,092,141	1,092,141	206,015	-	189,160	395,175	1,487,316
Travel and related expenses	-	161,175	161,175	87,392	5,902	23,013	116,307	277,482
Insurance	-	119,455	119,455	24,509	90,381	9,459	124,349	243,804
Postage	-	24,658	24,658	15,446	135	10,134	25,715	50,373
Interest expense	-	416,346	416,346	35,467	13,755	30,852	80,074	496,420
Bad debt expense (recovery)	-	(24,000)	(24,000)	4,479,913	-	(538,213)	3,941,700	3,917,700
Loan forgiveness	-	-	-	800,000	-	-	800,000	800,000
Unrelated business income tax	-	-	-	184,092	-	-	184,092	184,092
Depreciation and amortization	-	140,567	140,567	91,360	-	46,637	137,997	278,564
Real estate taxes	-	-	-	-	139,773	-	139,773	139,773
Miscellaneous	-	261,782	261,782	172,181	-	153,433	325,614	587,396
	<u>\$ 47,172,063</u>	<u>\$ 18,967,329</u>	<u>\$ 66,139,392</u>	<u>\$ 11,061,358</u>	<u>\$ 1,431,878</u>	<u>\$ 3,889,159</u>	<u>\$ 16,382,395</u>	<u>\$ 82,521,787</u>

The Notes to Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statement of Functional Expenses
Year Ended June 30, 2023

	Program Services			Supporting Services				
	Allocations and Grants	Program Services	Total	Management and General	Building Services	Fundraising Expenses	Total	Total
Salaries	\$ -	\$ 5,793,019	\$ 5,793,019	\$ 2,573,322	\$ 615,864	\$ 1,651,676	\$ 4,840,862	\$ 10,633,881
Payroll taxes and fringe benefits	-	1,102,856	1,102,856	481,022	118,696	314,433	914,151	2,017,007
Grants to agencies	69,578,824	2,079,559	71,658,383	3,784	-	2,803	6,587	71,664,970
Allocations to affiliates	4,550,113	-	4,550,113	-	-	-	-	4,550,113
Purchased services	-	769,173	769,173	142,465	1,428	146,213	290,106	1,059,279
Office expense	-	502,927	502,927	413,224	15,958	138,138	567,320	1,070,247
Consultants	-	132,173	132,173	159,860	-	28,516	188,376	320,549
Dues, subscriptions and subsidies	-	14,219	14,219	6,063	-	75	6,138	20,357
Telephone	-	18,507	18,507	7,082	8,835	3,027	18,944	37,451
Occupancy, maintenance, housing	-	113,844	113,844	35,565	453,880	9,287	498,732	612,576
Program event expenses	-	2,501,560	2,501,560	174,284	3,145	132,037	309,466	2,811,026
Publicity and promotion	-	684,899	684,899	84,046	-	106,044	190,090	874,989
Travel and related expenses	-	183,607	183,607	111,049	4,497	21,346	136,892	320,499
Insurance	-	90,948	90,948	22,511	83,808	8,223	114,542	205,490
Postage	-	26,603	26,603	15,314	40	9,405	24,759	51,362
Interest expense	-	375,030	375,030	49,512	17,693	41,081	108,286	483,316
Bad debt expense (recovery)	-	198,141	198,141	-	-	364,547	364,547	562,688
Unrelated business income tax	-	-	-	110,648	-	-	110,648	110,648
Depreciation and amortization	-	179,281	179,281	94,173	-	49,350	143,523	322,804
Real estate taxes	-	-	-	-	133,934	-	133,934	133,934
Miscellaneous	-	330,459	330,459	302,245	-	91,439	393,684	724,143
	<u>\$ 74,128,937</u>	<u>\$ 15,096,805</u>	<u>\$ 89,225,742</u>	<u>\$ 4,786,169</u>	<u>\$ 1,457,778</u>	<u>\$ 3,117,640</u>	<u>\$ 9,361,587</u>	<u>\$ 98,587,329</u>

The Notes to Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater MetroWest NJ and Affiliates

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

1. NATURE OF ACTIVITY

Jewish Federation of Greater MetroWest NJ is a New Jersey not-for-profit organization incorporated in 1924, whose primary functions include budgeting and social planning for the support and improvement of Jewish communal services; the identification of needed services; the raising and allocating of funds for operating purposes for local, national, and overseas agencies and the coordination of agency services with one another in relation to the total needs of the Jewish community.

Jewish Community Foundation of Greater MetroWest NJ, Inc. (the "Foundation"), a wholly owned subsidiary of Jewish Federation of Greater MetroWest NJ, was incorporated in 1949 as a New Jersey not-for-profit corporation. The Foundation's primary function is to receive, administer and allocate funds and property for Jewish Federation of Greater MetroWest NJ and its beneficiary agencies. The Foundation operates a bequest and endowment program which conducts educational and promotional activities for the development of funds for capital purposes and special projects, and a philanthropic fund which promotes the philanthropic interests and activities of Jewish Federation of Greater MetroWest NJ through the grant making process. The Foundation and Jewish Federation of Greater MetroWest NJ are related organizations, affiliated by means of overlapping Boards of Trustees and management. A substantial portion of the Foundation's revenue is derived from contributions and investment earnings. Effective July 1, 2023, the Foundation's sponsored investment pools were transferred and held by JCF Investment Program, LLC (the "LLC"), a Delaware nonprofit limited liability company. The Foundation is the sole owner of the LLC. The LLC is being managed and overseen by the Foundation, through the Foundation's Investment Committee and its existing finance and investment teams. In addition, the LLC holds and invests funds for the benefit of other affiliated and non-affiliated organizations. Investments by affiliated and non-affiliated organizations in certain funds administered by the LLC are subject to significant withdrawal restrictions. The LLC is comprised of approximately 800 individual funds. There are eight and nine supporting foundations of the Foundation at June 30, 2024, and 2023, respectively, established to support the charitable activities of the Foundation. These supporting foundations are included in the accompanying consolidated financial statements and are included in net assets without donor restrictions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include Jewish Federation of Greater MetroWest NJ, Jewish Community Foundation of Greater MetroWest NJ, Inc. and the LLC. Collectively, these organizations are hereafter referred as ("Federation"). All significant intercompany accounts and transactions have been eliminated in consolidation. Within the supplementary schedules included the consolidated schedules of consolidation the LLC is consolidated in the Foundation.

Basis of Presentation

The accompanying consolidated financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, Federation's resources are classified and reported as separate classes of net assets based on the existence or absence of donor-imposed restrictions as follows:

Net assets without donor restrictions: Include expendable resources that are used to carry out Federation's operations and are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by Federation or may be limited by contractual agreements with outside parties.

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Net assets with donor restrictions: Net assets subject to donor-imposed restrictions that will be met either by the actions of Federation or through the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt. Also included in this category are net assets subject to donor-imposed restrictions to be maintained permanently by Federation, including gifts and pledges wherein donors stipulate that the corpus of the gift be held in perpetuity and that only the income may be made available for operations.

Revenues and gains and losses on investments and other assets are reported as changes in net assets without donor restrictions unless limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in net assets without donor restrictions. Releases of net assets with donor restrictions which include either the satisfaction of a donor requirement or the passage of time are reported as net assets released from restrictions in the consolidated statements of activities and changes in net assets.

Measure of Operations

The accompanying consolidated statements of activities and changes in net assets distinguish between operating and non-operating activities. Operating activities include all revenues and expenses that are an integral part of Federation's programs and supporting activities. Non-operating activities include reclassifications and transfers that are considered to be outside regular operating activities.

Revenue and Support Recognition and Related Receivables

Contributions and Promises to Give

Federation recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as without donor restrictions or with donor restrictions according to donor stipulations that limit the use of these assets due to time or purpose restrictions. Federation's governing documents further provide that, absent contrary directions given in the transferring instrument regarding the use of principal, all, or part of the principal of any fund may be used subject to certain conditions, including approval of the Board of Trustees. Therefore, such contributions are reported as assets without donor restrictions. Bequests are recognized when the respective will has been declared valid. Donated securities, equipment and works of art are recorded at fair value on the date of donation.

Conditional promises to give, which include those with a barrier or other measurable performance requirement and a right of return or release, are not recognized as revenue or expense until the conditions on which they depend have been substantially met. Payments received in advance of conditions being met are recorded as deferred revenue on the consolidated statements of financial position.

Contribution receivables are recorded at fair value upon notification of the contribution. It is the policy of management to review the outstanding receivables periodically, as well as the receivable write offs experienced in the past, and establish an allowance of uncollectible receivables based on a four-year historical average, adjusted by management's estimates of current economic factors. Contributions with expected collections past one year are discounted at net present value based on risk free rates as of the date of the contribution.

In May 2024, Federation was informed that it is the recipient of a bequest with a fair value of \$28,000,000. As of January 13, 2025, the date the consolidated financial statements were available for issuance, approximately \$17,500,000 was collected from this bequest. The remaining balance is expected to be collected in the beginning of 2025.

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Contracts with Customers

Revenues from contracts with customers include program and service fees and administrative fees. These are treated as exchange transactions and are included in revenue without donor restrictions in the consolidated statements of activities and changes in net assets. There are no significant financing components as payment is received at or shortly after the point of sale. Funds received in advance from customers for services that have not been performed have been recorded as contract liabilities, which are shown as deferred revenue in the consolidated statements of financial position. Any obligations for refunds are not material and accordingly related disclosures are not provided.

Program and Service Fees and Administrative Fees

Revenues from program and service fees and administrative fees are recorded once the program has occurred or when the service has been provided for the administrative fees and the performance obligation is satisfied, which is at a specific point in time. Refunds are allowed in limited situations prior to the occurrence of the program and occur infrequently.

Other revenues without donor restrictions are obtained from rental income, investment return, and miscellaneous income which are recorded when earned. These revenues are used to offset program expenses as well as the cost of property and equipment acquisitions and to fund management and general expenses.

Federation receives donated services from volunteers, officers and directors and donated materials to support fundraising, management and general and program efforts. The value of these donated services and materials is not included in these consolidated financial statements as they do not meet the criteria for recognition.

Valuation of Long-Lived Assets

Federation reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Management has determined that there was no impairment for the periods presented in these consolidated financial statements.

Cash, Cash Equivalents and Restricted Cash

Federation considers all highly liquid debt instruments purchased with a maturity of three months or less at the time of acquisition to be cash equivalents. Such instruments consist of certificates of deposit and money market funds which are recorded at cost which approximates fair value. Amounts included in restricted cash held in investment pool represent donor and custodial funds held for either investment or for philanthropic use at the direction of the donors. The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated statements of financial position that sum to the total of the same such amounts shown in the consolidated statements of cash flows at June 30:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 17,196,729	\$ 12,876,483
Restricted cash held in investment pool	<u>36,696,913</u>	<u>28,763,436</u>
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	<u>\$ 53,893,642</u>	<u>\$ 41,639,919</u>

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Investments

Investments in equity securities with readily determinable values and all investments in debt securities are measured at fair value in the consolidated statements of financial position or published net asset values for alternative investments with characteristics similar to a mutual fund. Other alternative investments (nontraditional, not readily marketable vehicles), such as certain limited partnerships, hedge funds, private equity, alternative hedged strategies, and real assets are reported at net asset value, as a practical expedient for estimated fair value, as provided by the investment managers of the respective funds. Money market funds consist of cash and cash equivalents and are shown as restricted cash in the consolidated statements of financial position. Investments other than the money market funds shown in restricted cash are shown as long-term based on withdrawal restrictions noted in the fund agreements and the long-term donative intent of the philanthropic funds and management has no intent to utilize these funds during the subsequent year. Donated investments are recorded at the fair value at the date of receipt. Certain investment pools include withdrawal restrictions that limit the amount of withdrawals to 25% of the fund holder's balance annually, subject to board approval.

Investment Return, Net

Investment return, net which includes realized and unrealized gains and losses on investments, interest, and dividends, net of investment fees, is included in net assets without donor restrictions unless the income or loss is restricted by donor or law. Except for those funds which have specifically identified investments associated with them, the majority of the investments are held in pooled funds at Federation. Each fund is assigned a unit value, and its ownership interest is based on the allocation of the fair value of the fund's units to the total fair value of the investment pool. The pool is revalued monthly and income and gains or losses are allocated to each fund based on its units owned.

Loans Receivable

Federation carries its loans receivable at amortized cost. Loans receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. Federation separates loans receivable into risk pools based on their aging. In determining the amount of the allowance as of the consolidated statement of financial position date, Federation develops a loss rate for each risk pool. The loss rate is based on management's historical collection experience, adjusted for management's expectations about current and future economic conditions. The allowance and related changes as of and for the years ended June 30, 2024, and 2023 are not material to the consolidated financial statements.

Property, Equipment and Depreciation

Property and equipment purchases are recorded at cost, except for donated items which are recorded at fair value on the date of donation. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, Federation reports the expiration of donor restrictions when the donated or acquired assets are placed in service. Federation reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts. Maintenance, repairs, and minor renewals are charged to operations as incurred.

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Depreciable years for each major asset category are as follows:

<u>Description</u>	<u>Estimated Life (Years)</u>
Buildings	40
Buildings improvements and renovations	15-30
Furniture and equipment	5-10
Computer equipment	5

Cash Surrender Value of Life Insurance

Federation is the owner of certain life insurance policies from various donors who have named Federation as the beneficiary. These policies are valued at their cash surrender value.

Grants and Allocations and Grants Payable

Grants and allocations are recorded when approved by the Board of Trustees. Federation recognizes grants made, including unconditional promises, as expenses in the period made. Conditional promises, that is, those with a measurable performance or other barrier, and a right of return or release, are not recognized in expense until the conditions on which they depend have been substantially met. Grants payable are recorded at fair value at the date the promise is made to the recipient organization as established by Federation. Grants payable that are expected to be paid after one year are discounted at a risk-free interest rate when material and amortization of the discount is included in grants and allocations.

Split Interest Agreements

Split-interest agreements consist of charitable gift annuities and charitable remainder unitrusts. Such split-interest agreements provide for payments to the donors and/or their beneficiaries based upon either the income earned on related investments, or the specified annuity amounts. Federation administers various split interest agreements which provide for the payment of distributions to the grantor or other designated beneficiaries over the agreement's term (usually the designated beneficiary's lifetime). At the end of the agreement's term, the remaining assets are available for Federation's use. The portion of the agreement attributable to the future interest of Federation is recorded in the consolidated statements of activities and changes in net assets as contributions with donor restrictions in the period the trust is established.

Assets held under these arrangements are included in long-term investments and are reported at fair value in the accompanying consolidated statements of financial position. Contribution revenue is recognized at the date that the trust, or the annuity contract is established, and liabilities are recorded for the present value of the estimated future payments expected to be made to the donors and/or other beneficiaries. The liabilities are adjusted annually for changes in the life expectancy of the donor or beneficiary, amortization of the discount, and other changes in the estimate of future payments.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates. Significant estimates include the valuation of split-interest agreements, investments at net asset value, investments in loan interest participation receivables, allowance for doubtful accounts, cash surrender value of life insurance and grants payable. It is reasonably possible that these estimates could change in the near future.

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Functional Allocation of Expenses

Expenses are reported in the consolidated statements of functional expenses based on the nature and function of the expenses as a program service or supporting function. Federation incurs expenses that are attributable to more than one program or supporting function. These expenses require allocation on a reasonable basis that is consistently applied. Salaries are recorded based on the time spent by employees in each functional area. Fringe benefits and other administrative costs are allocated using the weighted average of salaries in each category.

The expenses of Federation are presented in the consolidated statements of functional expenses under the following classifications which describe Federation's program activities:

Allocations and Grants - Federation distributes funds from contributions received without donor restricted allocations, donor recommendations, funds with donor restrictions and other fund agreements to those beneficiary agencies affiliated with Federation, other local, national, and international Jewish organizations as well as local, national, and international secular organizations.

Program Services - Federation provides certain services directly when they cannot be more efficiently delivered by other organizations, including budgeting and social planning for Federation and beneficiary agencies, Jewish education and leadership development, Israel programs, Holocaust education, and Eldercare services. Federation also provides the vehicle through which the Jewish community relates to politicians, government authorities, other faith communities and a wide array of Jewish communal institutions, regionally and nationally.

Income Taxes

Jewish Federation of Greater MetroWest NJ, the Foundation and the LLC are exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code and from state and local taxes under relevant state laws. Accordingly, no provision for federal or state income taxes has been recorded in the consolidated statements of activities and changes in net assets, other than for unrelated business income tax, which is due based on pass-through taxable income received from investments in alternative investments, which amounted to \$184,092 and \$110,648 for the years ended June 30, 2024 and 2023, respectively. There are no uncertain tax positions at any of the organizations. In addition, there are no income tax related penalties or interest for the periods reported in these consolidated financial statements.

New Accounting Pronouncement Adopted in the Current Year

In June 2016, the Financial Accounting Standards Board issued Accounting Standards Update 2016-13, Measurement of Credit Losses on Financial Instruments, which is effective for fiscal years beginning after December 15, 2022, and requires an organization to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The adoption of this standard did not have a significant impact on the consolidated financial statements.

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3. FINANCIAL ASSETS AND LIQUIDITY RESOURCES

As of June 30, 2024 and 2023, financial assets and liquidity resources available within one year for general expenditures were as follows:

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and cash equivalents	\$ 17,196,729	\$ 12,876,483
Restricted cash held in investment pool	36,696,913	28,763,436
Contributions receivable, net - current portion	51,075,969	20,901,340
Due from beneficiary agencies	162,792	318,619
Agency pension loan receivable, current portion	326,657	336,346
Loans receivable, current portion	760,439	274,111
Other receivables	<u>1,959,415</u>	<u>1,184,415</u>
	108,178,914	64,654,750
Restricted cash not available for operations	<u>(32,351,731)</u>	<u>(23,211,457)</u>
Total financial assets and liquidity resources available within one year	<u>\$ 47,827,183</u>	<u>\$ 41,443,293</u>

The financial assets above are not subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the consolidated statements of financial position date. In addition to the assets above, there is approximately \$16.4 million and \$15.6 million in Federation unrestricted funds included in long term investments at June 30, 2024, and 2023, respectively. In accordance with its spending policy, the fund distributes 5% of assets annually to the annual campaign. Additionally, grants that are authorized and paid from donor advised and other restricted funds in the subsequent year would be funded from the related restricted cash or other long term investment accounts and not from the financial assets noted above.

4. CONTRIBUTIONS RECEIVABLE

At June 30, contributions receivable consist of the following:

	<u>2024</u>	<u>2023</u>
Total receivables	\$ 67,902,879	\$ 32,451,710
Discount to present value (6% in 2024 and 2023)	(3,229,117)	(1,677,906)
Allowance for uncollectible amounts	<u>(1,541,989)</u>	<u>(2,988,976)</u>
Contributions receivable, net	63,131,773	27,784,828
Current portion	<u>51,075,969</u>	<u>20,901,340</u>
Contributions receivable, long term	<u>\$ 12,055,804</u>	<u>\$ 6,883,488</u>

Contributions receivable, net are due as of June 30, 2024 as follows: 2025 - \$51,075,969; 2026 - \$3,461,039; 2027 - \$1,752,447; 2028 - \$1,409,721; 2029 - \$1,136,654; and thereafter - \$4,295,943.

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5. LOANS RECEIVABLE

At June 30, loans receivable consists of the following:

	<u>2024</u>	<u>2023</u>
Jewish Family Services Agency of Central NJ, 12-year loan of \$560,000 commenced on October 10, 2013, interest at the US five year Treasury rate plus 2%, adjusted quarterly, rate at June 30, 2024 was 4.09%. There are monthly principal and interest payments of \$4,500. The loan is secured by property.	\$ 104,416	\$ 152,948
Jewish Family Services of MetroWest, maturing December 2036, interest at the US five-year Treasury rate plus 2%, adjusted quarterly, rate at June 30, 2024 was 4.09%. Principal and interest payments, which vary each month, approximated \$7,200 per month. The loan is secured by property.	338,038	408,718
NJY Camps, 10-year non-interest bearing unsecured loan of \$1,000,000 commenced on July 31, 2020. The principal sum of this loan shall be repaid in 10 installments of \$50,000 - \$120,000 based on the loan agreement. The remaining loan balance of \$800,000 was forgiven in March 2024.	-	875,000
Gottesman RTW Academy, 1-year loan of \$550,000 with interest thereon payable monthly at a rate of 7.5% per annum maturing May 24, 2025. Secured by Gottesman RTW Academy's custodial funds held at the LLC.	550,000	-
Jewish Community Centers of MetroWest, 5-year non-interest bearing loan of \$150,000 commenced on December 7, 2020. The principal sum of this loan shall be repaid in 5 equal installments of \$30,000 commencing on December 7, 2021. This loan is secured by a personal guarantee.	60,000	90,000
Jewish Community Centers of MetroWest, 5-year non-interest bearing loan of \$80,000 commenced on December 7, 2020. The principal sum of this loan shall be repaid in 5 equal installments of \$16,000 commencing on December 7, 2021. This loan is secured by a personal guarantee.	32,000	\$ 48,000
A non-interest bearing unsecured loan of \$105,600 to a former employee, commenced in May 2015 and was fully repaid during the current year.	-	8,300
Library project Raanana, Israel, unsecured, non-interest bearing construction advance, repayment to be made from the William Lester Foundation; shown at net present value using a 4% discount rate, maturing 2040. Principal and interest payments are \$42,258 annually.	<u>370,076</u>	<u>406,828</u>
	1,454,530	1,989,794
Amounts due within one year	<u>760,439</u>	<u>274,111</u>
Long-term portion	<u>\$ 694,091</u>	<u>\$ 1,715,683</u>

Maturities of loans receivable as of June 30, 2024, are as follows: 2025 - \$760,439; 2026 - \$218,186; 2027 - \$123,309; 2028 - \$128,376; 2029 - \$69,807; and thereafter - \$154,413.

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6. FAIR VALUE MEASUREMENTS

Federation has provided fair value disclosure information for relevant assets and liabilities in these consolidated financial statements. For applicable assets and liabilities, Federation values such assets and liabilities using quoted market prices in active markets for identical assets and liabilities to the extent possible (Level 1). To the extent that such market prices are not available, Federation values such assets and liabilities using observable measurement criteria, including quoted market prices of similar assets and liabilities in active and inactive markets and other corroborated factors (Level 2). In the event that quoted market prices in active markets and other observable measurement criteria are not available, Federation develops measurement criteria based on the best information available (Level 3). There were no transfers into or out of Level 3 investments during the years ended June 30, 2024, and 2023. Purchases of Level 3 investments totaled \$-0- and \$98,502 for the years ended June 30, 2024, and 2023, respectively. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Common Stocks (Equities) - valued at the closing price reported on the active market on which the individual securities are traded.

Corporate and State of Israel Bonds - valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, those corporate bonds are valued under a discounted cash flow approach that maximizes observable inputs, such as current yields or similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

Money Market and Mutual Funds - valued at the daily closing price as reported by the fund. Mutual funds are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held are deemed to be actively traded.

U.S. Treasury Obligations and U.S. Government Agency Investments - The fair value of government bonds is generally based on quoted prices in active markets. When quoted prices are not available, fair value is determined based on a valuation model that uses inputs that include interest rate yield curves, similar to the bond in terms of issuer, maturity, and seniority.

Cash Surrender Value, Life Insurance - valued at the cash surrender value of the life insurance policy, net of any loans payable.

Federation invests in alternative investment strategies for the purposes of diversifying the market exposure of the investment portfolios, reducing volatility, and/or enhancing the overall return. Certain alternative investments are classified within Level 3 of the fair value hierarchy because they trade infrequently and therefore have little or no price transparency. Investments valued using the practical expedient are reported at cost less impairment, if any, plus or minus any changes from observable price changes in orderly transactions for identical or similar investments of the same issuer.

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Certain of Federation's investments in private investment companies are measured using net asset value ("NAV") per share as a practical expedient and are therefore not categorized within the fair value hierarchy. Investments in private investment companies are valued, as a practical expedient, utilizing the net asset valuations provided by the underlying private investment companies, without adjustment, when the net asset valuations of the investments are calculated in a manner consistent with U.S. GAAP for investment companies. Federation applies the practical expedient to its investments in private investment companies on an investment-by-investment basis.

The following tables summarize assets at fair value as of June 30, 2024 and 2023, in the fair value hierarchy:

	2024			
	Total	Level 1	Level 2	Level 3
Money market funds	\$ 36,696,913	\$ 36,696,913	\$ -	\$ -
Equities				
Materials	958,525	958,525	-	-
Industrials	9,309,954	9,309,954	-	-
Telecommunications services	5,963,148	5,963,148	-	-
Consumer discretionary	6,769,933	6,769,933	-	-
Consumer staples	787,624	787,624	-	-
Energy	4,153,562	4,153,562	-	-
Financial	14,960,838	14,960,838	-	-
Healthcare	7,482,095	7,482,095	-	-
Information technology	10,119,859	10,119,859	-	-
Utilities	658,979	658,979	-	-
Real estate	8,620,142	8,620,142	-	-
Mutual funds				
Domestic equity mutual funds	78,781,172	78,781,172	-	-
International equity mutual funds	60,707,724	60,707,724	-	-
Global fund	1,562,566	1,562,566	-	-
International fixed income	8,890,286	8,890,286	-	-
US Treasury obligations	39,803,326	39,803,326	-	-
US Governmental agencies	163,475	-	163,475	-
Corporate bonds				
AAA - A ratings	20,255,225	-	20,255,225	-
BBB - B ratings	6,201,855	-	6,201,855	-
CAA ratings	7,277,796	-	7,277,796	-
State of Israel bonds (b)	8,836,416	-	8,836,416	-
Alternative investments				
Multi-strategy (c)	2,821,610	-	-	2,821,610
Private equity (d)	862,937	-	-	862,937
Real estate (e)	283,875	-	-	283,875
Other (g)	2,025,364	-	-	2,025,364
	344,955,198	<u>\$ 296,226,645</u>	<u>\$ 42,734,767</u>	<u>\$ 5,993,786</u>
Investments at NAV (1)	188,999,303			
Investments measured at practical expedient	56,977,530			
	<u>\$ 590,932,031</u>			
Cash surrender value, life insurance	<u>\$ 7,857,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,857,421</u>

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(1) Certain of Federation's investments in private investment companies that are measured using net asset value ("NAV") per share as a practical expedient have not been categorized within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

	2023			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market funds	\$ 28,763,436	\$ 28,763,436	\$ -	\$ -
Equities				
Materials	482,500	482,500	-	-
Industrials	7,813,443	7,813,443	-	-
Telecommunications services	6,537,233	6,537,233	-	-
Consumer discretionary	7,735,283	7,735,283	-	-
Consumer staples	761,671	761,671	-	-
Energy	3,226,815	3,226,815	-	-
Financial	14,505,047	14,505,047	-	-
Healthcare	6,646,216	6,646,216	-	-
Information technology	10,387,750	10,387,750	-	-
Utilities	399,272	399,272	-	-
Real estate	11,389,767	11,389,767	-	-
Mutual funds				
Domestic equity mutual funds	73,900,504	73,900,504	-	-
International equity mutual funds	65,055,225	65,055,225	-	-
Global fund	1,518,201	1,518,201	-	-
International fixed income	19,980,902	19,980,902	-	-
US Treasury obligations	39,382,649	39,382,649	-	-
US Governmental agencies	228	-	228	-
Corporate bonds				
AAA - A ratings	17,577,051	-	17,577,051	-
BBB - B ratings	5,527,056	-	5,527,056	-
CAA ratings	10,697,149	-	10,697,149	-
State of Israel bonds (b)	5,871,732	-	5,871,732	-
Alternative investments				
Multi-strategy (c)	2,518,331	-	-	2,518,331
Private equity (d)	1,024,140	-	-	1,024,140
Real estate (e)	92,882	-	-	92,882
Other (g)	2,398,798	-	-	2,398,798
	<u>344,193,281</u>	<u>\$ 298,485,914</u>	<u>\$ 39,673,216</u>	<u>\$ 6,034,151</u>
Investments at NAV (1)	<u>177,487,532</u>			
	<u>\$ 521,680,813</u>			
Cash surrender value, life insurance	<u>\$ 7,692,183</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,692,183</u>

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The following table lists the investments by class and investment strategy at June 30, 2024 and 2023:

Strategies	2024			2023			Redemption Notice Period
	# of Funds	Valuation	Unfunded Commitments	# of Funds	Valuation	Unfunded Commitments	
Multi-asset strategy (h)	4	\$ 19,816,709	\$ 716,250	4	\$ 20,884,511	\$ 1,716,249	Daily
Multi-strategy (c)	6	51,163,960	1,400,000	5	49,068,840	824,182	95 Days
Private equity (d)	19	39,584,816	20,625,975	16	35,104,791	12,347,360	n/a
Real estate (e)	19	32,486,884	17,181,079	17	28,999,424	15,243,941	n/a
Natural resources (f)	4	4,249,799	832,905	4	5,215,527	823,863	n/a
Private equity - long (a)	1	15,785,213	-	1	14,058,590	-	30 Days
Private equity - long (i)	1	10,098,151	-	1	10,597,722	-	30 Days
Private equity - emerging markets (j)	1	7,874,903	-	1	7,486,240	-	7 days
Private equity - international (k)	1	6,538,442	-	1	6,071,887	-	10 Days
Other assets (g)	1	1,400,426	-	-	-	-	n/a
		<u>\$ 188,999,303</u>	<u>\$ 40,756,209</u>		<u>\$ 177,487,532</u>	<u>\$ 30,955,595</u>	

- a) A fixed income mutual fund primarily focused on domestic markets. The investments are redeemable daily with a NAV calculated on a monthly basis. Proceeds can take up to 90 days to pay out.
- b) State of Israel bonds are backed by a 70-year record of dependability and Israel has never defaulted on the payment of principal or interest. The bonds all have maturity dates through March 2027. The Federation intends to hold the bonds until maturity.
- c) The multi-strategy funds are funds of funds and directly held funds which in aggregate represent a number of underlying funds covering a wide array of investment strategies. Approaches include public and private equity, long/short equity and debt strategies, credit arbitrage and active fixed income investing. The investment is redeemable semi-annually with a notice of 95 days.
- d) Private equity assets invest in various companies and some debt securities, both domestic and international. The partnerships have a remaining legal life span of two to twelve years with no redemption rights for the Limited Partners. Liquidity is expected in the form of distributions from the funds when the underlying assets are sold. The majority of the capital calls are expected within two to six years and return of capital is anticipated in one to twelve years.
- e) Real estate assets are investments in private real asset funds which invest in office, hotel, commercial, residential, and industrial real estate. The funds have a remaining legal life span of two to ten years with no redemption rights for Limited Partners. The majority of the capital calls are expected within two to four years and return of capital is anticipated in one to ten years.
- f) Natural resources assets are investments in oil and natural gas and other natural resources-related industries. The funds have a remaining legal life span of one to nine years with no redemption rights for Limited Partners. Remaining capital calls are expected within one year and return of capital is anticipated in one to six years.
- g) Other assets include an investment in a limited partnership. There is currently no market for the underlying assets and sales are not expected in the near future.
- h) Multi-asset strategy seeks to achieve a total return that over a majority of market cycles exceeds inflation plus 5% per annum. Underlying investments include global equities, domestic equities, fixed income, private equities and publicly traded limited partnerships. The investment is redeemable daily with one day notice.
- i) All cap funds with long strategy focused on international markets. This investment is redeemable monthly with 30 days' notice.

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- j) International fund with an objective to achieve long-term total return through investments in equity securities of emerging-market companies. The investment is redeemable monthly with 7 days' notice.
- k) International small cap fund focused on long-term absolute returns. The investment is redeemable monthly with 10 days' notice.

Investments valued using Practical Expedient

	<u>2024</u>	<u>2023</u>
Value reported at beginning of year	\$ -	\$ -
Purchases	56,977,530	-
Value reported at end of year	<u>\$ 56,977,530</u>	<u>\$ -</u>

Investment return, net consisted of the following at June 30:

	<u>2024</u>	<u>(Restated) 2023</u>
Interest and dividend income	\$ 26,192,519	\$ 19,522,066
Realized gains	13,937,333	4,482,905
Unrealized gains	16,315,582	23,012,394
Interest - loans and notes receivable	23,147	20,709
	56,468,581	47,038,074
Investment fees	(1,622,945)	(1,594,054)
	<u>\$ 54,845,636</u>	<u>\$ 45,444,020</u>

7. PROPERTY AND EQUIPMENT

Operating Property and Equipment

Property and equipment, shown net of accumulated depreciation at June 30, consist of the following:

	<u>2024</u>	<u>2023</u>
Land	\$ 2,140,049	\$ 2,140,049
Buildings and improvements	18,857,264	18,677,058
Furniture and equipment	2,960,327	2,960,413
Computer equipment	1,138,481	1,097,007
Transportation equipment	16,192	16,192
Construction in progress	58,213	-
Library	155,137	155,137
Works of art	390,993	390,993
	25,716,656	25,436,849
Less: Accumulated depreciation	(21,560,319)	(21,534,568)
	<u>\$ 4,156,337</u>	<u>\$ 3,902,281</u>

Depreciation expense on these assets totaled \$266,290 and \$306,211 for the years ended June 30, 2024 and 2023, respectively.

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Property and Equipment Held for Rental

The Foundation owns several rental properties which are rented to affiliated entities. Depreciation on these assets totaled \$12,274 and \$16,593 for the years ended June 30, 2024 and 2023, respectively.

This property and equipment held for rental is shown net of accumulated depreciation for the years ended June 30, and consist of the following:

	<u>2024</u>	<u>2023</u>
Land	\$ 283,454	\$ 283,454
Buildings and improvements	20,432,193	20,432,193
Furniture and equipment	<u>1,002,472</u>	<u>1,002,472</u>
	21,718,119	21,718,119
Less: Accumulated depreciation	<u>(21,415,625)</u>	<u>(21,403,351)</u>
	<u>\$ 302,494</u>	<u>\$ 314,768</u>

Federation is currently under the process to transfer the title of land to Daughters of Israel, Inc. ("DOI"), a beneficiary agency. The land has a cost of approximately \$110,000 and is located in West Orange, NJ. There is a restriction requiring that the land be used by DOI (or its successor) for Jewish communal purposes, or otherwise the appraised value of the land at the time of transfer will need to be paid to Federation. The anticipated closing date is subject to zoning approvals from the Township of West Orange (the "Township"). DOI has submitted site plan changes to the Township, but the Township has not approved the changes. DOI has appealed.

8. LOAN PARTICIPATION INTEREST RECEIVABLE

Federation holds investments in loans to outside parties that are recorded at amortized cost. The loans earn interest at rates between 10% to 15% with maturity dates through December 2027. The balances as of June 30, 2024 and 2023 are \$8,655,292 and \$67,139,628, respectively. In June 2024, approximately \$57,000,000 of the loans were transferred into limited partnerships. Additionally, at June 30, 2024, a reserve of \$2,900,000 was established for credit risk associated with these loan participation receivables. There was no reserve at June 30, 2023.

9. BONDS PAYABLE

Bonds payable at June 30 were as follows:

	<u>2024</u>	<u>2023</u>
Essex County Improvement Authority bond	\$ 6,315,000	\$ 6,865,000
Amounts due within one year	<u>550,000</u>	<u>550,000</u>
	<u>\$ 5,765,000</u>	<u>\$ 6,315,000</u>

The future scheduled maturities of the bonds payable are as follows: 2025 - \$550,000; 2026 - \$550,000; 2027 - \$5,215,000.

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During 2014, the Jewish Community Center of Greater MetroWest New Jersey (“JCC”), Federation and the bond trustee entered into an Assignment and Assumption Agreement, whereby Federation assumed the bond liability. JCC is no longer considered the primary obligor of the bonds payable. Bonds payable were \$6,315,000 and \$6,865,000 at June 30, 2024 and 2023, respectively.

The JCC leasehold improvements financed by the bonds payable remain as collateral. The Essex County Improvement Authority (the “Issuer”) issued \$12,425,000 of Series 2005 tax-exempt variable rate demand revenue bonds. The proceeds of the bonds were used to finance the construction of an early childhood center, a fitness center, a four-story parking deck, a winter garden, multi-purpose meeting areas, offices, and other renovations to the existing JCC building located in West Orange.

Interest on the bonds is payable monthly at variable rates pegged to market as determined by the remarketing agent on a weekly basis. As of the years ended June 30, 2024 and 2023, the interest rate was 3.88% and 4.01% respectively, per annum. There is an annual principal payment due in July of every year.

10. GRANTS PAYABLE

Federation has made grant commitments to certain affiliated and non-affiliated not-for-profit organizations as of June 30, as follows:

	<u>2024</u>	<u>2023</u>
Total grants payable	\$ 22,501,333	\$ 26,376,226
Less discount to present value	<u>(2,408,218)</u>	<u>(3,286,024)</u>
	20,093,115	23,090,202
Amounts payable in subsequent fiscal year	<u>8,123,666</u>	<u>7,609,559</u>
Amounts payable in future fiscal years	<u>\$ 11,969,449</u>	<u>\$ 15,480,643</u>

Future payments as of June 30, 2024, are as follows:

2025	\$ 8,123,666
2026	3,972,643
2027	2,373,324
2028	1,259,428
2029	1,188,141
Thereafter	<u>3,175,913</u>
	<u>\$ 20,093,115</u>

11. FINANCE LEASES

Federation leases office equipment under long-term leases and has the option to purchase the equipment at the termination of the lease. Right of use assets leased under finance leases, included in property and equipment in the consolidated statements of financial position at June 30, is as follows:

	<u>2024</u>	<u>2023</u>
Equipment	\$ 418,653	\$ 435,219
Less: Accumulated depreciation	<u>54,443</u>	<u>166,339</u>
	<u>\$ 364,210</u>	<u>\$ 268,880</u>

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The renewal options have not been included in the lease liability calculation, since it is not reasonably certain that they will be exercised, based on general uncertainties that come with the passage of time. Because the rates implicit in the leases are generally not available, Federation utilizes its risk-free rate as the discount rate.

The following is a maturity analysis of the annual undiscounted cash flows of the finance lease liabilities as of June 30, 2024:

2025	\$ 111,847
2026	111,847
2027	107,868
2028	79,099
2029	<u>55,745</u>
Total minimum lease payments	466,406
Less: Amount representing interest	<u>102,196</u>
Total present value amount	364,210
Less: Current portion	<u>70,485</u>
Non-current portion	<u><u>\$ 293,725</u></u>

Maturities of finance leases:

2025	\$ 70,485
2026	80,888
2027	89,259
2028	70,148
2029	<u>53,430</u>
	<u><u>\$ 364,210</u></u>

The weighted average discount rate associated with finance leases as of June 30, 2024, and 2023 is 13.20% and 17.74%, respectively, which are based on a risk-free rate because the rates implicit in the leases are generally not available. The weighted average remaining lease term associated with finance leases as of June 30, 2024 and 2023 is 5 and 2.42 years, respectively. Operating cash flows from finance leases totaled \$111,847 and \$107,088 for the years ended June 30, 2024, and 2023, respectively.

12. SPLIT INTEREST AGREEMENTS

On an annual basis, Federation revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions. The present value of the estimated future payments is calculated using applicable mortality tables and a discount rate of 6% to 8% based on the nature of the agreements. The present value of the future obligation for split interest agreements at June 30, 2024 and 2023 and was \$1,784,532 and \$1,532,972, respectively. Assets, included in long term investments, related to split interest agreements at June 30, 2024 and 2023 total \$2,429,368 and \$2,593,580, respectively. The change in the present value of estimated future payments of \$(688,535) and \$(587,648) is included in the valuation allowance in the consolidated statements of activities and changes in net assets for the years ended June 30, 2024, and 2023, respectively.

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13. DUE TO OTHER ORGANIZATIONS (RESTATED)

Amounts due to other organizations totaling \$74,947,845 and \$71,558,780 at June 30, 2024 and 2023, respectively, represent funds provided to Federation by unrelated, non-beneficiary agencies to be invested. The funds invested and investment earnings allocable to these funds are recorded as a liability in the consolidated statements of financial position. These funds are invested in the various pools offered by Federation based on instructions received from the investors pursuant to written agreements. Certain investment pools allow the investors to withdraw funds with relatively short notice (on demand) while other investment pools place significant restrictions on an investor's ability to withdraw funds (over several years). All investments related to the funds provided by these investors, as well as the related liabilities, are reflected as long-term in the consolidated statements of financial position.

14. AFFILIATIONS AND RELATED PARTY TRANSACTIONS

Federation conducts various transactions with and provides assistance to its beneficiary agencies by investing, administering, and allocating funds for various purposes. Federation also provides bookkeeping services, joint cost sharing of certain expenditures and allows its beneficiary agencies to participate in pension and benefit plans administered by Federation.

Funds invested with the Foundation on behalf of Federation beneficiary agencies and related earnings due to the following organizations are as follows:

	<u>2024</u>	<u>2023</u>
Jewish Vocational Service of MetroWest, Inc.	\$ 540,529	\$ 523,070
Jewish Family Services of MetroWest, Inc.	4,677,373	4,644,614
Daughters of Israel	6,664,692	13,708,875
Jewish Community Center of MetroWest, Inc.	2,217,530	2,347,483
Jewish Community Housing Corp.	3,848	33,927
Jewish Service for the Developmentally Disabled	<u>265,848</u>	<u>242,312</u>
	14,369,820	21,500,281
Less: Current portion	<u>64,690</u>	<u>128,942</u>
	<u>\$ 14,305,130</u>	<u>\$ 21,371,339</u>

At June 30, certain unsecured amounts were due from beneficiary agencies as follows:

	<u>2024</u>	<u>2023</u>
Balance of funds advanced to beneficiary agencies to cover cash flow deficits which bear interest at the lesser of 5% or the prime rate, which approximated 4.09% annually for each year		
Jewish Vocational Service of MetroWest, Inc.	\$ 3,086	\$ 159,538
Jewish Community Housing Corp.	117,422	130,894
Jewish Service for the Developmentally Disabled	20,723	-
Jewish Family Services of Central NJ	21,561	28,187
Jewish Community Center of MetroWest, Inc. - net of reserve of \$1,616,900 and \$2,401,000 at June 30, 2024 and 2023	<u>625,155</u>	<u>804,589</u>
	787,947	1,123,208
Current portion	<u>162,792</u>	<u>318,619</u>
	<u>\$ 625,155</u>	<u>\$ 804,589</u>

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In addition to the leasing transactions disclosed in Note 21 and those noted above, additional related party revenue and expense transactions were as follows:

Affiliated agencies paid Federation \$57,588 and \$54,434 for the years ended June 30, 2024 and 2023, respectively, in fees for bookkeeping and accounting services. An affiliated agency paid Federation \$2,562,829 in rent for buildings owned by Federation for each of the years ended June 30, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Allocations and grants made by Federation to affiliates		
Daughters of Israel Geriatric Center	\$ 2,932,808	\$ 2,932,808
Jewish Community Center of MetroWest, Inc.	462,470	654,925
Jewish Family Services of MetroWest, Inc.	485,000	485,000
Jewish Education Center	155,980	-
JCC of Central New Jersey	145,000	-
YM-YWHA of Union County	145,000	-
Jewish Service for the Developmentally Disabled	-	57,500
Jewish Family Services of Central New Jersey	307,380	307,380
Jewish Vocational Service of MetroWest, Inc.	112,500	112,500
	<u>\$ 4,746,138</u>	<u>\$ 4,550,113</u>
Interest income earned by Federation on funds advanced to beneficiary agencies		
Jewish Family Services of MetroWest, Inc.	\$ 15,720	\$ 12,650
Jewish Vocational Service of MetroWest, Inc.	1,960	3,063
Jewish Family Services of Central New Jersey, Inc.	5,467	4,996
	<u>\$ 23,147</u>	<u>\$ 20,709</u>

Federation received contributions from its board members totaling approximately \$9,805,000 and \$4,341,000 for the years ended June 30, 2024 and 2023, respectively.

15. DEFERRED REVENUE

During the year ended June 30, 2000, Federation entered into a land lease agreement of \$1,480,000, with Jewish Community Housing Corporation, Inc. ("JCHC"). The lease was for an initial term of 80 years with a renewal option of an additional 100 years. Under the terms of a 2005 amendment to the initial lease, JCHC was required to pay Federation \$1,250,000 of the original \$1,480,000 immediately. The remaining \$230,000 of the original lease payment has been paid as of June 30, 2011.

As of June 30, 2024 and 2023, JCHC had prepaid the ground lease in the amounts of \$1,276,325 and \$1,284,547, respectively. These amounts are included in deferred revenue in the consolidated statements of financial position and are being charged off to rental income at the rate of \$8,222 per annum. For each of the years ended June 30, 2024 and 2023, no contingent rents were paid or accrued based on the calculation of cash flow as defined and the accrued balances were offset against deferred revenue.

In addition to the amounts above, programs fees for programs occurring in the subsequent year of \$228,302 and \$2,543,007 are included in deferred revenue at June 30, 2024 and 2023, respectively. Deferred program fees as of July 1, 2022, were \$453,513.

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16. BENEFIT PLANS

Pension Plan

Federation administered a multiple employer defined retirement plan (the "Plan") which covered substantially all employees of Federation which was formally terminated in May 2020.

As part of the termination of the pension plan, Federation and participating agencies purchased annuities totaling \$28 million in December 2016. As part of the funding of the annuity purchases, a loan agreement of \$17.5 million ("loan") with OceanFirst Bank was taken by Federation to fully fund the plan.

The interest rate on the unpaid principal balance of the loan from the date of the note until January 1, 2027 (the "first change date") is 3.75%. On the fifth anniversary of the first change date and at each subsequent fifth year anniversary thereafter (each, a "change date"), the interest rate on the unpaid principal balance of the loan is at a per annum rate equal to 180 basis points above the 5-year US Treasury Bond Rate in effect three business days before the first change date, adjusted to a constant maturity of five years. The loan matures on December 31, 2041. There are monthly principal and interest payments of \$90,490. This loan is secured by certain accounts held by the Foundation.

Federation is required to maintain a ratio of total liabilities to effective tangible net worth of not more than .50 to 1.00. Federation must maintain one or more depository accounts at OceanFirst Bank with an aggregate balance of not less than \$250,000. The pension loan payable balance is \$13,902,953 and \$14,447,444 at June 30, 2024 and 2023, respectively.

The future scheduled maturities of the pension loan payable payments at June 30, 2024 are as follows: 2025 - \$567,059; 2026 - \$588,999; 2027 - \$611,787; 2028 - \$634,225; 2029 - \$659,995; and thereafter - \$10,840,888.

On December 15, 2016, Federation provided unsecured loans to affiliated agencies to fund the termination of the pension plans. Interest on these loans is tied to Federation's pension loan, with the commencement of the date of Federation loan payable until the tenth anniversary (the "first change date") the interest rate will be 3.75%. On the first change date, the interest rate will be determined by the 5-year US Treasury Bond Rate in effect three business days before the first change date, adjusted to a constant maturity of five years, plus 180 basis points, subject to a floor of 3.75% per year. On the fifth anniversary of the first change date and at each subsequent fifth year anniversary thereafter (each, a "change date"), the interest rate will reset to the then current 5-year US Treasury Bond Rate in effect three business days before the applicable change date, adjusted to a constant maturity of five years, plus 180 basis points, subject to a floor of 3.75% per year. Payments of principal and interest shall be paid monthly until the maturity date, based on the then remaining portion of a fully amortizing 25-year loan. Federation has the option to demand payment in full of the entire unpaid principal amount together with all accrued but unpaid interest thereon on each change date following the first change date.

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At June 30, the agency pension loan receivables are as follows:

	<u>2024</u>	<u>2023</u>
Jewish Vocational Service of MetroWest, Inc., original loan of \$3,807,616. There are monthly principal and interest payments of \$19,689.	\$ 3,025,300	\$ 3,163,076
Jewish Service for the Developmentally Disabled, original loan of \$441,263. There are monthly principal and interest payments of \$2,282.	350,577	364,309
Jewish Family Services of MetroWest, Inc., original loan of \$2,078,163. There are monthly principal and interest payments of \$10,746.	1,656,594	1,715,853
Jewish Family Services of Central New Jersey, original loan of \$550,659. There are monthly principal and interest payments of \$2,847.	437,566	454,692
Jewish Community Center of MetroWest, Inc., original loan of \$3,312,700. There are monthly principal and interest payments of \$17,129.	<u>2,623,260</u>	<u>2,735,220</u>
	8,093,297	8,433,150
Amounts due within one year	<u>326,657</u>	<u>336,346</u>
Long-term portion	<u>\$ 7,766,640</u>	<u>\$ 8,096,804</u>

Maturities of agency pension loans receivable at June 30, 2024, are as follows: 2025 - \$326,657; 2026 - \$342,938; 2027 - \$356,207; 2028 - \$369,271; 2029 - \$384,275; thereafter - \$6,313,949.

Post-Retirement Medical Plan

Federation also administers an unfunded multiple employer post-retirement medical benefits plan (the "Medical Plan"). The Medical Plan provides subsidized medical and pharmaceutical benefits for full-time employees and affiliated agency employees and pro rata benefits for part-time employees who retire after age 55 having completed 20 years of service by December 31, 2006 or employees who have completed 10 years of service and are age 62 before April 1, 2004 and retire before December 31, 2006. Federation's contribution to the Medical Plan amounted to \$42,756 and \$50,353 for the years ended June 30, 2024 and 2023, respectively.

Other Changes in Post-Retirement Benefits

For the years ended June 30, 2024 and 2023, Federation recorded an increase in net assets without donor restrictions of \$(9,484) and \$12,631, respectively, due to post-retirement benefits amounts not yet reflected in net periodic post-retirement benefits cost.

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Information on the post-retirement medical plan as of June 30:

<u>Change in Benefit Obligation</u>	<u>2024</u>	<u>2023</u>
Benefit obligation, beginning of year	\$ 388,914	\$ 436,898
Interest cost	18,701	17,654
Actuarial gain	8,806	(15,285)
Plan participant contributions	21,920	25,316
Benefits paid	<u>(64,676)</u>	<u>(75,669)</u>
Benefit obligation, end of year	<u>\$ 373,665</u>	<u>\$ 388,914</u>

Assumptions - Net Periodic Benefit Cost

Weighted-average assumptions used to determine net periodic benefit cost for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Discount rate	5.10%	4.30%
Rate of compensation increase	N/A	N/A
Expected return on plan assets	N/A	N/A

Amounts Included in the Consolidated Statements of Financial Position at June 30

	<u>2024</u>	<u>2023</u>
Current liability	\$ 43,400	\$ 41,100
Non-current liability	<u>330,265</u>	<u>347,814</u>
	<u>\$ 373,665</u>	<u>\$ 388,914</u>

The following table provides information related to expected benefit payments for each of the 5 years following the measurement date and cumulatively for the subsequent five-year period:

2025	\$ 43,400
2026	42,500
2027	41,200
2028	39,400
2029	37,200
Thereafter	<u>169,965</u>
	<u>\$ 373,665</u>

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Relating to the post-retirement medical plan:

	<u>2024</u>	<u>2023</u>
<u>Assumed Pre-65 Medical Trend</u>		
Health care cost rate assumed for next fiscal year	6.75%	6.80%
Rate to which the cost trend rate is assumed to decline	4.04%	4.14%
Fiscal year rate reaches ultimate trend rate	2087	2087
<u>Assumed Prescription Drug Trend Rates</u>		
Health care cost rate assumed for next fiscal year	6.75%	6.80%
Rate to which the cost trend rate is assumed to decline	4.04%	4.14%
Fiscal year rate reaches ultimate trend rate	2087	2087
	<u>1 Percentage Point</u>	
	<u>Increase</u>	<u>Decrease</u>
Effect on total of service and interest cost components	\$ 953	\$ (878)
Effect on accumulated postretirement benefit obligation	\$ 17,978	\$ (16,566)

Other

Federation offers a pre-tax cafeteria payroll withholding plan to all full-time and part-time employees and affiliated agency employees who work a minimum of 20 hours per week, on a pro rata basis. These withholdings are allowed to cover health care expenses not covered under the medical plans, the employee's share of medical premiums, and dependent care expenses. All monies withheld and not utilized under the plan are forfeited.

Federation also administers a 403-B tax deferred annuity plan for its employees and affiliated agency employees which permits employees to contribute on a deferred tax basis amounts up to the maximum annual contribution as permitted by law.

17. NET ASSETS

Net assets released from donor-imposed restrictions consisted of the following for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Purpose restriction		
Restricted by donors for various philanthropic uses including scholarships, youth programs and the support of Federation and affiliated agencies	\$ 9,737,792	\$ 3,964,444
Time restriction		
Contributions receivable	<u>2,773,076</u>	<u>2,636,680</u>
	<u>\$ 12,510,868</u>	<u>\$ 6,601,124</u>

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Components of net assets at June 30 were as follows:

<u>Detail of Net Assets</u>	<u>June 30, 2024</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating	\$ 339,659,681	\$ -	\$ 339,659,681
Board designated for special projects or to maintain affiliated agency programs in the event that an unanticipated reduction in available funds occurs	10,123,615	-	10,123,615
Board designated - cemetery	1,731,056	-	1,731,056
Restricted by donors for various philanthropic uses including scholarships, youth programs and the support of Federation and affiliated agencies	-	64,704,026	64,704,026
Contributions receivable	-	41,493,575	41,493,575
Restricted by donors in accordance with charitable remainder unitrust and annuity agreements and charitable gift annuity agreements	-	2,429,368	2,429,368
Endowment	-	101,567,844	101,567,844
	<u>\$ 351,514,352</u>	<u>\$ 210,194,813</u>	<u>\$ 561,709,165</u>
	<u>June 30, 2023</u> <u>(Restated)</u>		
<u>Detail of Net Assets</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating	\$ 329,816,271	\$ -	\$ 329,816,271
Board designated for special projects or to maintain affiliated agency programs in the event that an unanticipated reduction in available funds occurs	9,149,704	-	9,149,704
Restricted by donors for various philanthropic uses including scholarships, youth programs and the support of Federation and affiliated agencies	-	61,219,169	61,219,169
Contributions receivable	-	8,365,546	8,365,546
Restricted by donors in accordance with charitable remainder unitrust and annuity agreements and charitable gift annuity agreements	-	2,593,580	2,593,580
Endowment	-	94,466,760	94,466,760
	<u>\$ 338,965,975</u>	<u>\$ 166,645,055</u>	<u>\$ 505,611,030</u>

Endowment Funds

Federation's endowment consists of approximately 70 individual donor-restricted endowment funds established for a variety of purposes.

Jewish Federation of Greater MetroWest NJ and Affiliates

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Interpretation of Relevant Law

The Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) provides guidance on the maintenance and spending of endowment funds when the intent of the donors is not clear, by providing new guidelines for the expenditure of with donor restriction endowment funds, absent explicit donor stipulations. Under UPMIFA, not-for-profits are permitted to adopt prudent spending policies which can allow for the temporary invasion of corpus. Management has determined that certain components of the net assets with donor restrictions of Federation are not endowment funds, specifically related to contributions receivable and charitable gift annuities. Furthermore, the endowments of Federation are subject to written instruments in which the donor’s intent as to purpose and spending policies are explicitly indicated.

The Board of Trustees of Federation has interpreted state law as requiring the preservation of the value of the endowment fund with primary consideration given to the donor intent expressed in the gift instrument. For those donations subject to UPMIFA, Federation has followed the donor instruments in classifying as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is available for release in accordance with the donor restrictions on those funds will remain in net assets with donor restrictions until those amounts are appropriated for expenditure by Federation in a manner consistent with the standard of prudence prescribed by state law.

Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of Federation and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) The investment policies of Federation

Return Objectives and Risk Parameters

Federation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity. Under the policy approved by the Board of Trustees, the endowment assets which are held in the managed pool and are invested to produce results that are superior to a balanced stock and bond portfolio at a lower volatility over an entire market cycle. Federation expects its endowment funds, over time, to provide an average rate of return of approximately 8% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, Federation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Federation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Jewish Federation of Greater MetroWest NJ and Affiliates
Notes to Consolidated Financial Statements
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Spending Policy and How the Investment Objectives Relate to Spending Policy

Federation has a policy of appropriating for distribution each year 5% of its endowment fund's average fair value over the prior 13 quarters through the fiscal year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, Federation considered the long-term expected return on its endowment. Accordingly, over the long term, Federation expects the current spending policy to allow its endowment to grow at an average of 8% annually. This is consistent with Federation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Change in Endowment Fund Net Assets

The following table provides information regarding the change in endowment net assets for the years ended June 30:

	With Donor Restrictions		
	(Restated)		(Restated)
	Consolidated	JFED	Foundation
Endowment net assets, July 1, 2022	\$ 81,514,754	\$ 52,499,368	\$ 29,015,386
Investment return, net	<u>7,191,059</u>	<u>4,362,626</u>	<u>2,828,433</u>
	88,705,813	56,861,994	31,843,819
Contributions received	7,305,255	1,871,938	5,433,317
Appropriated for expenditure	<u>(1,544,308)</u>	<u>(1,239,137)</u>	<u>(305,171)</u>
Endowment net assets, July 1, 2023 (Restated)	94,466,760	57,494,795	36,971,965
Investment return, net	<u>7,820,113</u>	<u>4,553,059</u>	<u>3,267,054</u>
	102,286,873	62,047,854	40,239,019
Contributions received	1,916,401	1,471,801	444,600
Appropriated for expenditure	<u>(2,635,430)</u>	<u>(1,383,740)</u>	<u>(1,251,690)</u>
Endowment net assets, June 30, 2024	<u>\$ 101,567,844</u>	<u>\$ 62,135,915</u>	<u>\$ 39,431,929</u>
	2024		
Donor restricted "true" endowment			
Historical gift value	\$ 82,995,096	\$ 47,442,584	\$ 35,552,512
Appreciation	<u>18,572,748</u>	<u>14,693,331</u>	<u>3,879,417</u>
Endowment net assets, June 30	<u>\$ 101,567,844</u>	<u>\$ 62,135,915</u>	<u>\$ 39,431,929</u>
	2023		
	(Restated)		
Donor restricted "true" endowment			
Historical gift value	\$ 81,078,695	\$ 45,970,783	\$ 35,107,912
Appreciation (depreciation)	<u>13,388,065</u>	<u>11,524,012</u>	<u>1,864,053</u>
Endowment net assets, June 30	<u>\$ 94,466,760</u>	<u>\$ 57,494,795</u>	<u>\$ 36,971,965</u>

Jewish Federation of Greater MetroWest NJ and Affiliates
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted "true" endowment funds may fall below the level that the donor requires Federation to retain as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions and amounted to \$457,899 for nine funds with a historical value of \$2,081,685 and a fair value of \$1,623,786 as of June 30, 2024 and \$634,834 for eleven funds with a historical value of \$4,170,734 and a fair value of \$3,535,900 as of June 30, 2023. These deficiencies resulted from unfavorable market fluctuations. It is Federation's policy to permit spending from underwater funds as is determined prudent by management.

18. RECLASSIFICATION DUE TO CHANGE IN DONOR DESIGNATION

During the years ended June 30, 2024, and 2023, reclassifications of net assets totaled \$501,500 and \$5,675,000, respectively, for contributions to endowments with permanent restrictions due to a change in donor designation through grants made by supporting foundations that are included within Federation's consolidated financial statements. As these are both grants to Federation from the supporting organizations, they would normally be eliminated in the consolidated financial statements; however, as the funds are moving to net assets with donor restrictions due to the endowment nature of the contribution from net assets without donor restrictions, these have been shown as a reclassification of net assets in the consolidated statements of activities and changes in net assets for the years ended June 30, 2024 and 2023.

19. GAIN ON SALE OF PROPERTY

In September 2022, Federation entered into a contract to sell unused cemetery land, located in Newark, NJ. The transaction was completed in February 2024. As a result, \$1,975,480 was recorded as a gain on sale of property in the consolidated statements of activities and changes in net assets for the year ended June 30, 2024. The proceeds from the sale were designated by the Board for the maintenance and preservation of the Jewish cemeteries in Essex County, NJ.

20. TRANSFER OF ASSETS DUE TO CLOSURE OF DONOR-ADVISED FUND

During the year ended June 30, 2023, a transfer of \$149,136,128 was made from a donor-advised fund held by Federation and included as a transfer in the consolidated statements of activities and changes in net assets.

21. LEASES

Federation leases commercial property to Daughters of Israel Geriatric Center, a beneficiary agency, under an operating lease which expires in June 2025, with an additional five-year extension renewal option. Rental income was \$2,562,829 for both years ended June 30, 2024 and 2023 under this lease. Future minimum rentals through June 30, 2025, are \$2,562,829 per year.

Federation leases commercial property under an initial three-year lease to The Winston Preparatory School, which was amended on June 29, 2018, to a ten-year lease which expires on June 30, 2027 with three options to extend the term for five years per option. Rental income for the years ended June 30, 2024 and 2023 was \$521,139 and \$381,924, respectively. Future rental income under this lease is as follows: 2025 - \$417,339; 2026 - \$429,859 and 2027- \$442,755.

Federation leases commercial property under a six-year lease with AMoney Sportz, LLC which expired December 31, 2023, with an additional five-year extension. Rental income for the years ended June 30, 2024 and 2023 was \$75,600 and \$68,100, respectively. Future rental income under this lease is as follows: 2024 - \$34,500.

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Notes to Consolidated Financial Statements
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Federation entered into a settlement agreement with PZ 13 LLC under which PZ 13 LLC would vacate the premises in exchange for \$75,000 to be paid monthly in \$5,000 installments beginning on February 10, 2018. PZ 13 LLC is in default and has paid \$0 during the years ended June 30, 2024 and 2023. As a result of the default, the settlement amount has reverted to \$125,000 and is included in other receivables in the consolidated statements of financial position. A satisfaction of judgment was executed in October 2023 with a payment of \$50,000 and their remaining portion was written off.

Federation has a month-to-month agreement with Swimquest LLC for rental of facilities. Swimquest pays rent of \$10,000 per month and pays its share of utilities.

Federation leases land under a 180-year land lease to Jewish Community Housing Corporation Lester Senior Housing Complex. Annual lease payments are \$8,222 through 2179.

Certain other rental arrangements are on a month-to-month or year-to-year basis with unconsolidated affiliated agencies of Federation and other organizations.

22. CONCENTRATIONS OF RISKS

Federation's financial instruments that are exposed to concentrations of credit risk consist primarily of its cash and cash equivalents, investments, loan participation interest receivables, contributions receivable, loans receivable and amounts due from other organizations. Federation has significant cash and cash equivalents balances at financial institutions which throughout the year regularly exceed the federally insured limit of \$250,000. Any loss incurred or lack of access to such funds could have a significant adverse impact on Federation's consolidated financial condition, results of operations, and cash flows.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain securities, it is at least reasonably possible that changes in the values of these securities will occur in the near term and that such changes could materially affect the amounts reported on the consolidated statements of financial position. Investments are diversified to avoid overconcentration from a specific issuer or sector. Credit risk is minimized by limiting the types of investments as well as through diversification of the investment portfolio. Federation has a long-standing history of collecting its receivables which are from various individuals, corporations, and foundations. Loans receivable and amounts due from unconsolidated affiliates are primarily with Federation's affiliated agencies or with organizations which are closely tied to Federation's mission. An allowance for uncollectible accounts is recorded in the consolidated financial statements for amounts considered non-collectible.

23. COMMITMENTS - GUARANTEES

Federation has guaranteed debt and performance provisions of certain affiliated entities. There are no collateral or indemnification agreements between Federation and these entities in the event Federation has to perform under the guarantees.

Federation is a guarantor of a \$10,000,000 line of credit associated with bond indenture agreement issued for DOI under which the Colorado Facilities Authority issued bonds in the amount of \$10,000,000 to finance the renovation and expansion of its existing facilities in West Orange, New Jersey. Bonds payable are \$0 and \$6,615,000 as of June 30, 2024 and 2023, respectively. The line of credit is secured by DOI facilities that are being renovated and expanded. On December 1, 2023, the bonds were fully repaid by DOI.

As a result of the guarantee provided to DOI, Federation has recorded the value of the guarantee as a liability totaling \$0 and \$219,000 in the consolidated statements of financial position for the years ended June 30, 2024 and 2023, respectively.

Jewish Federation of Greater MetroWest NJ and Affiliates
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

24. RESTATEMENT

During the year ended June 30, 2024, the Foundation discovered certain amounts held for others that were not correctly classified in accordance with U.S. GAAP. As a result, the consolidated financial statements have been restated for the year ended June 30, 2023, to correct the error. Total assets remain unchanged at June 30, 2023. The effects of the correction of the error on the consolidated financial statements as of and for the year ended June 30, 2023, are as follows:

	As of June 30, 2023 (Previously Presented)	Restatement	As of June 30, 2023 (Restated)
Consolidated statement of financial position:			
Due to other organizations	\$ 42,941,649	\$ 28,617,131	\$ 71,558,780
Net assets without donor restrictions	\$ 339,041,481	\$ (75,506)	\$ 338,965,975
Net assets with donor restrictions	\$ 195,186,680	\$ (28,541,625)	\$ 166,645,055
Total long-term liabilities	\$ 103,498,576	\$ 28,617,131	\$ 132,115,707
Total liabilities	\$ 123,092,483	\$ 28,617,131	\$ 151,709,614
Total net assets	\$ 534,228,161	\$ (28,617,131)	\$ 505,611,030
Consolidated statement of activities and changes in net assets:			
Net contributions - with donor restriction	\$ 37,500,156	\$ (26,164,450)	\$ 11,335,706
Investment return, net - without donor restriction	\$ 31,494,027	\$ 2,377,175	\$ 33,871,202
Investment return, net - with donor restriction	\$ 13,949,993	\$ (2,377,175)	\$ 11,572,818
Allocation of investment return to funds held for others	\$ (6,499,267)	\$ (2,377,175)	\$ (8,876,442)
Changes in net assets	\$ (131,516,999)	\$ (28,617,131)	\$ (160,134,130)
Consolidated statement of cash flows:			
Changes in net assets	\$ (131,516,999)	\$ (28,617,131)	\$ (160,134,130)
Endowment contributions	\$ (33,401,487)	\$ 26,096,232	\$ (7,305,255)
Due to other organizations, net	\$ 1,923,891	\$ 28,617,131	\$ 30,541,022

25. SUBSEQUENT EVENTS

Federation has evaluated subsequent events occurring after the consolidated statements of financial position date through the date of January 13, 2025, which is the date the consolidated financial statements were available to be issued. Based upon this evaluation, Federation has determined that no subsequent events have occurred which require disclosure in or adjustment to the consolidated financial statements.

SUPPLEMENTARY INFORMATION

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statement of Financial Position
June 30, 2024

	Jewish Federation of Greater MetroWest NJ, Inc.	Jewish Community Foundation of Greater MetroWest NJ, Inc. and Affiliates	Subtotal	Eliminations	Total
Assets					
Current assets					
Cash and cash equivalents	\$ 7,587,124	\$ 9,609,605	\$ 17,196,729	\$ -	\$ 17,196,729
Restricted cash held in investment pool	-	36,696,913	36,696,913	-	36,696,913
Contributions receivable, net, current portion	23,006,469	28,069,500	51,075,969	-	51,075,969
Due from beneficiary agencies, net of allowance for doubtful accounts of \$1,616,900	234,821	-	234,821	(72,029)	162,792
Loans receivable, current portion	164,439	596,000	760,439	-	760,439
Agency pension loans receivable, current portion	326,657	-	326,657	-	326,657
Other receivables, net	9,620,041	-	9,620,041	(7,660,626)	1,959,415
Other current assets	<u>349,445</u>	<u>1,542,398</u>	<u>1,891,843</u>	<u>-</u>	<u>1,891,843</u>
Total current assets	<u>41,288,996</u>	<u>76,514,416</u>	<u>117,803,412</u>	<u>(7,732,655)</u>	<u>110,070,757</u>
Noncurrent assets					
Investments, net of restricted cash held in investment pool	97,814,703	554,209,682	652,024,385	(97,789,267)	554,235,118
Due from beneficiary agencies, net of current portion	625,155	-	625,155	-	625,155
Contributions receivable, net of current portion	12,025,304	30,500	12,055,804	-	12,055,804
Loans receivable, net of current portion	648,091	46,000	694,091	-	694,091
Agency pension loans receivable, net of current portion	7,766,640	-	7,766,640	-	7,766,640
Loan participation interest receivable, net	-	8,655,292	8,655,292	-	8,655,292
Cash surrender value of life insurance, net	-	7,857,421	7,857,421	-	7,857,421
Property and equipment, held for rental, net	-	302,494	302,494	-	302,494
Net property and equipment	<u>1,656,103</u>	<u>2,500,234</u>	<u>4,156,337</u>	<u>-</u>	<u>4,156,337</u>
	<u>120,535,996</u>	<u>573,601,623</u>	<u>694,137,619</u>	<u>(97,789,267)</u>	<u>596,348,352</u>
Total assets	<u>\$ 161,824,992</u>	<u>\$ 650,116,039</u>	<u>\$ 811,941,031</u>	<u>\$ (105,521,922)</u>	<u>\$ 706,419,109</u>

See Independent Auditor's Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statement of Financial Position
June 30, 2024

	Jewish Federation of Greater MetroWest NJ, Inc.	Jewish Community Foundation of Greater MetroWest NJ, Inc. and Affiliates	Subtotal	Eliminations	Total
Liabilities and Net Assets					
Current liabilities					
Accounts payable and accrued expenses	\$ 9,656,225	\$ 1,253,052	\$ 10,909,277	\$ -	\$ 10,909,277
Bonds payable, current portion	550,000	-	550,000	-	550,000
Grants payable, current portion	-	10,175,406	10,175,406	(2,051,740)	8,123,666
Due to beneficiary agencies, current portion	64,690	72,029	136,719	(72,029)	64,690
Deferred revenue, current portion	40,000	8,222	48,222	-	48,222
Split interest agreements payable, current portion	-	146,969	146,969	-	146,969
Post retirement health benefits payable, current portion	43,400	-	43,400	-	43,400
Pension loan payable, current portion	567,059	-	567,059	-	567,059
Lease liability - financing, current portion	70,485	-	70,485	-	70,485
Total current liabilities	<u>10,991,859</u>	<u>11,655,678</u>	<u>22,647,537</u>	<u>(2,123,769)</u>	<u>20,523,768</u>
Long-term liabilities					
Bonds payable, net of current portion	5,765,000	-	5,765,000	-	5,765,000
Deferred revenue, net of current portion	188,302	1,268,103	1,456,405	-	1,456,405
Grants payable, net of current portion and discount	-	17,578,335	17,578,335	(5,608,886)	11,969,449
Due to beneficiary agencies, net of current portion	-	112,094,397	112,094,397	(97,789,267)	14,305,130
Due to other organizations	-	74,947,845	74,947,845	-	74,947,845
Post retirement health benefits, net of current portion	330,265	-	330,265	-	330,265
Split interest agreements payable, net of current portion	-	1,637,563	1,637,563	-	1,637,563
Security deposits	144,900	-	144,900	-	144,900
Lease liability - financing, net of current portion	293,725	-	293,725	-	293,725
Pension loan payable, net of current portion	13,335,894	-	13,335,894	-	13,335,894
Total long-term liabilities	<u>20,058,086</u>	<u>207,526,243</u>	<u>227,584,329</u>	<u>(103,398,153)</u>	<u>124,186,176</u>
Total liabilities	<u>31,049,945</u>	<u>219,181,921</u>	<u>250,231,866</u>	<u>(105,521,922)</u>	<u>144,709,944</u>
Net assets					
Without donor restrictions	36,678,482	314,835,870	351,514,352	-	351,514,352
With donor restrictions	94,096,565	116,098,248	210,194,813	-	210,194,813
Total net assets	<u>130,775,047</u>	<u>430,934,118</u>	<u>561,709,165</u>	<u>-</u>	<u>561,709,165</u>
Total liabilities and net assets	<u>\$ 161,824,992</u>	<u>\$ 650,116,039</u>	<u>\$ 811,941,031</u>	<u>\$ (105,521,922)</u>	<u>\$ 706,419,109</u>

See Independent Auditor's Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statement of Financial Position
June 30, 2023

	Jewish Federation of Greater MetroWest NJ, Inc.	(Restated) Jewish Community Foundation of Greater MetroWest, NJ, Inc. and Affiliates	Subtotal	Eliminations	(Restated) Total
Assets					
Current assets					
Cash and cash equivalents	\$ 4,973,511	\$ 7,902,972	\$ 12,876,483	\$ -	\$ 12,876,483
Restricted cash held in investment pool	-	28,763,436	28,763,436	-	28,763,436
Contributions receivable, net, current portion	20,840,840	60,500	20,901,340	-	20,901,340
Due from beneficiary agencies, net of allowance for doubtful accounts of \$2,401,000	535,597	-	535,597	(216,978)	318,619
Loans receivable, current portion	144,811	129,300	274,111	-	274,111
Agency pension loans receivable, current portion	336,346	-	336,346	-	336,346
Other receivables, net	10,487,240	-	10,487,240	(9,302,825)	1,184,415
Other current assets	<u>2,445,868</u>	<u>753,525</u>	<u>3,199,393</u>	<u>-</u>	<u>3,199,393</u>
Total current assets	<u>39,764,213</u>	<u>37,609,733</u>	<u>77,373,946</u>	<u>(9,519,803)</u>	<u>67,854,143</u>
Noncurrent assets					
Investments, net of restricted cash held in investment pool	89,811,382	492,913,122	582,724,504	(89,807,127)	492,917,377
Due from beneficiary agencies, net of current portion	804,589	-	804,589	-	804,589
Contributions receivable, net of current portion	6,827,488	56,000	6,883,488	-	6,883,488
Loans receivable, net of current portion	823,683	892,000	1,715,683	-	1,715,683
Agency pension loans receivable, net of current portion	8,096,804	-	8,096,804	-	8,096,804
Loan participation interest receivable, net	-	67,139,328	67,139,328	-	67,139,328
Cash surrender value of life insurance, net	-	7,692,183	7,692,183	-	7,692,183
Property and equipment held for rental, net	-	314,768	314,768	-	314,768
Net property and equipment	<u>1,393,721</u>	<u>2,508,560</u>	<u>3,902,281</u>	<u>-</u>	<u>3,902,281</u>
	<u>107,757,667</u>	<u>571,515,961</u>	<u>679,273,628</u>	<u>(89,807,127)</u>	<u>589,466,501</u>
Total assets	<u>\$ 147,521,880</u>	<u>\$ 609,125,694</u>	<u>\$ 756,647,574</u>	<u>\$ (99,326,930)</u>	<u>\$ 657,320,644</u>

See Independent Auditor's Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statement of Financial Position
June 30, 2023

	Jewish Federation of Greater MetroWest NJ, Inc.	(Restated) Jewish Community Foundation of Greater MetroWest NJ, Inc. and Affiliates	Subtotal	Eliminations	(Restated) Total
Liabilities and Net Assets					
Current liabilities					
Accounts payable and accrued expenses	\$ 7,215,327	\$ 869,360	\$ 8,084,687	\$ -	\$ 8,084,687
Bonds payable, current portion	550,000	-	550,000	-	550,000
Grants payable, current portion	-	10,458,059	10,458,059	(2,848,500)	7,609,559
Due to beneficiary agencies, current portion	128,942	216,978	345,920	(216,978)	128,942
Deferred revenue, current portion	2,322,738	8,222	2,330,960	-	2,330,960
Split interest agreements payable, current portion	-	237,833	237,833	-	237,833
Post retirement health benefits, current portion	41,100	-	41,100	-	41,100
Pension payable, current portion	544,510	-	544,510	-	544,510
Capital lease payable, current portion	66,316	-	66,316	-	66,316
Total current liabilities	<u>10,868,933</u>	<u>11,790,452</u>	<u>22,659,385</u>	<u>(3,065,478)</u>	<u>19,593,907</u>
Long-term liabilities					
Bonds payable, net of current portion	6,315,000	-	6,315,000	-	6,315,000
Deferred revenue, net of current portion	220,269	1,276,325	1,496,594	-	1,496,594
Grants payable, net of current portion and discount	-	21,934,968	21,934,968	(6,454,325)	15,480,643
Due to beneficiary agencies, net of current portion	-	111,178,466	111,178,466	(89,807,127)	21,371,339
Due to other organizations	-	71,558,780	71,558,780	-	71,558,780
Post retirement health benefits, net of current portion	347,814	-	347,814	-	347,814
Split interest agreements payable, net of current portion	-	1,295,139	1,295,139	-	1,295,139
Security deposits	144,900	-	144,900	-	144,900
Capital lease payable, net of current portion	202,564	-	202,564	-	202,564
Pension loan payable, net of current portion	13,902,934	-	13,902,934	-	13,902,934
Total long-term liabilities	<u>21,133,481</u>	<u>207,243,678</u>	<u>228,377,159</u>	<u>(96,261,452)</u>	<u>132,115,707</u>
Total liabilities	<u>32,002,414</u>	<u>219,034,130</u>	<u>251,036,544</u>	<u>(99,326,930)</u>	<u>151,709,614</u>
Net assets					
Without donor restrictions	34,584,084	304,381,891	338,965,975	-	338,965,975
With donor restrictions	80,935,382	85,709,673	166,645,055	-	166,645,055
Total net assets	<u>115,519,466</u>	<u>390,091,564</u>	<u>505,611,030</u>	<u>-</u>	<u>505,611,030</u>
Total liabilities and net assets	<u>\$ 147,521,880</u>	<u>\$ 609,125,694</u>	<u>\$ 756,647,574</u>	<u>\$ (99,326,930)</u>	<u>\$ 657,320,644</u>

See Independent Auditor's Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statement of Activities and Changes in Net Assets
Year Ended June 30, 2024

	Jewish Federation of Greater MetroWest NJ, Inc.			Jewish Community Foundation of Greater MetroWest, NJ, Inc. and Affiliates			Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		
Operating activities								
Support and revenues								
Contributions	\$ 44,844,976	\$ 14,865,377	\$ 59,710,353	\$ 30,432,799	\$ 1,476,907	\$ 31,909,706	\$ (16,328,332)	\$ 75,291,727
Bequests	-	-	-	1,120	28,000,000	28,001,120	-	28,001,120
Less: Donor designations	(23,001,000)	-	(23,001,000)	-	-	-	-	(23,001,000)
Net contributions	21,843,976	14,865,377	36,709,353	30,433,919	29,476,907	59,910,826	(16,328,332)	80,291,847
Rental income	3,310,309	-	3,310,309	2,571,051	-	2,571,051	(2,640,264)	3,241,096
Grants and contract revenue	2,098,419	-	2,098,419	-	-	-	-	2,098,419
Program and service fees	3,680,213	-	3,680,213	-	-	-	-	3,680,213
Investment return, net	3,692,327	4,319,689	8,012,016	47,207,669	7,585,688	54,793,357	(7,959,737)	54,845,636
Administrative fee revenue	-	-	-	1,132,629	-	1,132,629	-	1,132,629
Allocation of investment return for funds held for others	-	-	-	(16,590,470)	-	(16,590,470)	7,959,737	(8,630,733)
Valuation allowance	-	-	-	384,239	(688,535)	(304,296)	-	(304,296)
Gain on sale of property	-	-	-	1,975,480	-	1,975,480	-	1,975,480
Miscellaneous income	335,591	-	335,591	-	-	-	(45,960)	289,631
	<u>34,960,835</u>	<u>19,185,066</u>	<u>54,145,901</u>	<u>67,114,517</u>	<u>36,374,060</u>	<u>103,488,577</u>	<u>(19,014,556)</u>	<u>138,619,922</u>
Net assets released due to satisfaction of time or purpose restrictions	6,023,883	(6,023,883)	-	6,486,985	(6,486,985)	-	-	-
	<u>40,984,718</u>	<u>13,161,183</u>	<u>54,145,901</u>	<u>73,601,502</u>	<u>29,887,075</u>	<u>103,488,577</u>	<u>(19,014,556)</u>	<u>138,619,922</u>
Operating expenses								
Program services	30,238,975	-	30,238,975	54,791,577	-	54,791,577	(18,891,160)	66,139,392
Supporting services	8,651,345	-	8,651,345	7,854,446	-	7,854,446	(123,396)	16,382,395
	<u>38,890,320</u>	<u>-</u>	<u>38,890,320</u>	<u>62,646,023</u>	<u>-</u>	<u>62,646,023</u>	<u>(19,014,556)</u>	<u>82,521,787</u>
Total operating	2,094,398	13,161,183	15,255,581	10,955,479	29,887,075	40,842,554	-	56,098,135
Non-operating activities								
Reclassification due to change in donor designation	-	-	-	(501,500)	501,500	-	-	-
Total non-operating	-	-	-	(501,500)	501,500	-	-	-
Changes in net assets	2,094,398	13,161,183	15,255,581	10,453,979	30,388,575	40,842,554	-	56,098,135
Net assets								
Beginning of year	34,584,084	80,935,382	115,519,466	304,381,891	85,709,673	390,091,564	-	505,611,030
End of year	<u>\$ 36,678,482</u>	<u>\$ 94,096,565</u>	<u>\$ 130,775,047</u>	<u>\$ 314,835,870</u>	<u>\$ 116,098,248</u>	<u>\$ 430,934,118</u>	<u>\$ -</u>	<u>\$ 561,709,165</u>

See Independent Auditor's Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statement of Activities and Changes in Net Assets
Year Ended June 30, 2023

	Jewish Federation of Greater MetroWest NJ, Inc.			Restated Jewish Community Foundation of Greater MetroWest NJ, Inc. and Affiliates			Restated	
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	Total
Operating activities								
Support and revenues								
Contributions	\$ 22,909,757	\$ 7,497,151	\$ 30,406,908	\$ 23,381,245	\$ 3,838,555	\$ 27,219,800	\$ (7,984,297)	\$ 49,642,411
Bequests	-	-	-	1,391,164	-	1,391,164	-	1,391,164
Less: Donor designations	(6,206,511)	-	(6,206,511)	-	-	-	-	(6,206,511)
Net contributions	16,703,246	7,497,151	24,200,397	24,772,409	3,838,555	28,610,964	(7,984,297)	44,827,064
Rental income	3,299,054	-	3,299,054	2,579,273	-	2,579,273	(2,623,264)	3,255,063
Grants and contract revenue	829,971	-	829,971	-	-	-	-	829,971
Program and service fees	1,446,530	-	1,446,530	-	-	-	-	1,446,530
Investment return, net	2,518,440	4,710,019	7,228,459	38,532,766	6,862,799	45,395,565	(7,180,004)	45,444,020
Administrative fee revenue	-	-	-	1,027,771	-	1,027,771	-	1,027,771
Allocation of investment return for funds held for others	-	-	-	(16,056,446)	-	(16,056,446)	7,180,004	(8,876,442)
Valuation allowance	-	-	-	24,302	(587,648)	(563,346)	-	(563,346)
Miscellaneous income	242,106	-	242,106	-	-	-	(43,410)	198,696
	25,039,347	12,207,170	37,246,517	50,880,075	10,113,706	60,993,781	(10,650,971)	87,589,327
Net assets released due to satisfaction of time or purpose restrictions	3,267,887	(3,267,887)	-	3,333,237	(3,333,237)	-	-	-
	28,307,234	8,939,283	37,246,517	54,213,312	6,780,469	60,993,781	(10,650,971)	87,589,327
Operating expenses								
Program services	25,651,607	-	25,651,607	74,121,260	-	74,121,260	(10,547,125)	89,225,742
Supporting services	7,120,828	-	7,120,828	2,344,605	-	2,344,605	(103,846)	9,361,587
	32,772,435	-	32,772,435	76,465,865	-	76,465,865	(10,650,971)	98,587,329
Total operating	(4,465,201)	8,939,283	4,474,082	(22,252,553)	6,780,469	(15,472,084)	-	(10,998,002)
Non-operating activities								
Reclassification due to change in donor designation	-	-	-	(5,675,000)	5,675,000	-	-	-
Transfer of net assets	-	-	-	(149,136,128)	-	(149,136,128)	-	(149,136,128)
Total non-operating	-	-	-	(154,811,128)	5,675,000	(149,136,128)	-	(149,136,128)
Changes in net assets	(4,465,201)	8,939,283	4,474,082	(177,063,681)	12,455,469	(164,608,212)	-	(160,134,130)
Net assets								
Beginning of year	39,049,285	71,996,099	111,045,384	481,445,572	73,254,204	554,699,776	-	665,745,160
End of year	\$ 34,584,084	\$ 80,935,382	\$ 115,519,466	\$ 304,381,891	\$ 85,709,673	\$ 390,091,564	\$ -	\$ 505,611,030

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