

Jewish Federation of Greater Hartford

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2023 and 2022

Jewish Federation of Greater Hartford

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Independent Auditor's Report

To the Board of Directors
Jewish Federation of Greater Hartford

Opinion

We have audited the financial statements of Jewish Federation of Greater Hartford, which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Jewish Federation of Greater Hartford as of June 30, 2023 and 2022, and the changes in its net assets and its 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 Financial Statements section of our report. We are required to be independent of Jewish Federation of Greater Hartford 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Hartford's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 Hartford's 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 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 Hartford's 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 26 and 27 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.



Hartford, Connecticut
November 2, 2023

Jewish Federation of Greater Hartford

**Statements of Financial Position
June 30, 2023 and 2022**

| | <u>Assets</u> | |
|--|----------------------|----------------------|
| | <u>2023</u> | <u>2022</u> |
| Current assets | | |
| Cash and cash equivalents | \$ 3,285,733 | \$ 4,019,009 |
| Promises to give - annual campaign, net of allowance of \$283,803 and \$249,913, respectively | 2,070,756 | 1,836,447 |
| Promises to give - special campaigns, net of allowance of \$10,362 | 361,527 | 185,252 |
| Investments (Note 3) | 1,405,788 | 205,017 |
| Due from Jewish Community Foundation | 39,996 | 229,421 |
| Other current assets | 73,748 | 72,031 |
| Prepaid expenses and advance allocations | 80,000 | 113,845 |
| | <u>7,317,548</u> | <u>6,661,022</u> |
| Total current assets | | |
| Property and equipment, at cost | | |
| Building and improvements | 7,239,741 | 7,232,618 |
| Equipment and furniture | 845,786 | 809,762 |
| | <u>8,085,527</u> | <u>8,042,380</u> |
| Less accumulated depreciation | (4,930,090) | (4,662,666) |
| | <u>3,155,437</u> | <u>3,379,714</u> |
| Total property and equipment, net | | |
| Noncurrent assets | | |
| Assets held in charitable remainder trust (Note 8) | - | 22,629 |
| Loan receivable | 91,898 | 83,550 |
| Deferred compensation trust (Note 4) | 19,559 | 16,587 |
| | <u>111,457</u> | <u>122,766</u> |
| Total other assets | | |
| Total assets | <u>\$ 10,584,442</u> | <u>\$ 10,163,502</u> |

Jewish Federation of Greater Hartford

**Statements of Financial Position
June 30, 2023 and 2022**

Liabilities and Net Assets

| | <u>2023</u> | <u>2022</u> |
|--|----------------------|----------------------|
| Current liabilities | | |
| Allocations payable - local agencies | \$ 1,752,194 | \$ 1,639,052 |
| Allocations payable - The Jewish Federations of North America | 972,970 | 863,592 |
| Accounts payable and accrued expenses | 322,577 | 278,402 |
| Refundable advance | 125,000 | - |
| Other liabilities | <u>7,361</u> | <u>25,531</u> |
| Total current liabilities | <u>3,180,102</u> | <u>2,806,577</u> |
| Noncurrent liabilities | | |
| Liability under charitable remainder trust (Note 8) | - | 5,265 |
| Deferred compensation liability (Note 4) | <u>19,559</u> | <u>16,587</u> |
| Total noncurrent liabilities | <u>19,559</u> | <u>21,852</u> |
| Total liabilities | <u>3,199,661</u> | <u>2,828,429</u> |
| Net assets | | |
| Without donor restrictions | | |
| Undesignated | 1,525,822 | 1,508,328 |
| Board-designated (Note 15) | 949,193 | 825,691 |
| Building | <u>3,064,713</u> | <u>3,297,301</u> |
| Total net assets without donor restrictions | 5,539,728 | 5,631,320 |
| With donor restrictions (Note 16) | <u>1,845,053</u> | <u>1,703,753</u> |
| Total net assets | <u>7,384,781</u> | <u>7,335,073</u> |
| Total liabilities and net assets | <u>\$ 10,584,442</u> | <u>\$ 10,163,502</u> |

See Notes to Financial Statements.

Jewish Federation of Greater Hartford

**Statements of Activities
Years Ended June 30, 2023 and 2022**

| | <u>2023</u> | <u>2022</u> |
|--|------------------|------------------|
| Changes in net assets without donor restrictions | | |
| Public support | | |
| Annual campaign (Note 17) | \$ 4,426,460 | \$ 4,475,831 |
| Bequests to federation transferred to Jewish Community Foundation | - | 16,000 |
| Rental income | 120,607 | - |
| Designated gifts | 516,276 | 339,830 |
| Other support | <u>542,143</u> | <u>984,162</u> |
| Total public support | <u>5,605,486</u> | <u>5,815,823</u> |
| Revenue | | |
| Investment income (loss) | 72,664 | (28,582) |
| Change in value of charitable remainder trusts | <u>4,767</u> | <u>(10,092)</u> |
| Total revenue | <u>77,431</u> | <u>(38,674)</u> |
| Total public support and revenue | 5,682,917 | 5,777,149 |
| Net assets released from restrictions (Note 16) | <u>970,286</u> | <u>739,849</u> |
| Total support and revenue without donor restrictions | <u>6,653,203</u> | <u>6,516,998</u> |
| Program expenses | | |
| Community services | 2,723,970 | 2,589,698 |
| Local agencies - annual campaign | 1,643,200 | 1,520,892 |
| Local agencies - designated gifts | 732,353 | 500,634 |
| The Jewish Federations of North America - allocations and annual dues | 708,135 | 1,263,956 |
| Local dues | 9,175 | 5,837 |
| Bequests to federation transferred to Jewish Community Foundation | <u>-</u> | <u>16,000</u> |
| Total program and expenses | <u>5,816,833</u> | <u>5,897,017</u> |
| Supporting expenses | | |
| Management and general | 326,345 | 313,784 |
| Fundraising | <u>601,617</u> | <u>533,713</u> |
| Total supporting expenses | <u>927,962</u> | <u>847,497</u> |
| Total expenses | <u>6,744,795</u> | <u>6,744,514</u> |
| Decrease in net assets without donor restrictions | <u>(91,592)</u> | <u>(227,516)</u> |

Jewish Federation of Greater Hartford

**Statements of Activities
Years Ended June 30, 2023 and 2022**

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Changes in net assets with donor restrictions | | |
| Annual campaign revenue raised for subsequent fiscal year | 365,094 | 250,704 |
| Literacy program/JCRC | 96,449 | 32,400 |
| PJ Library | 62,267 | 15,500 |
| Sponsorship for future events | - | 56,500 |
| Security initiative | 450,880 | 66,658 |
| Programs | 11,025 | 94,590 |
| Dignity | 19,625 | 46,420 |
| Jessie's Community Gardens | 386 | 986 |
| Designated gifts | 13,500 | - |
| Jewish Free Loan Fund of Greater Hartford | 90,000 | 21,600 |
| Ukraine Relief Fund | <u>2,360</u> | <u>95,149</u> |
| Total additions to net assets with donor restrictions | 1,111,586 | 680,507 |
| Net assets released from restrictions (Note 16) | <u>(970,286)</u> | <u>(739,849)</u> |
| Increase (decrease) in net assets with donor restrictions | <u>141,300</u> | <u>(59,342)</u> |
| Change in net assets | 49,708 | (286,858) |
| Net assets, beginning | <u>7,335,073</u> | <u>7,621,931</u> |
| Net assets, end | <u><u>\$ 7,384,781</u></u> | <u><u>\$ 7,335,073</u></u> |

See Notes to Financial Statements.

Jewish Federation of Greater Hartford

Statement of Functional Expenses Year Ended June 30, 2023 (With Comparative Totals for 2022)

| | Community services | | | | | Fundraising | | 2023 Total | 2022 Total |
|------------------------------------|------------------------------|-------------------------------|--|------------------------|---------------------------|--------------------|--------------------------------------|---------------------|---------------------|
| | Outreach and education | Planning and allocation | Communication, marketing and public relations | Federation services | Management and general | Annual campaign | Financial resource development | | |
| Wages | \$ 264,626 | \$ 101,019 | \$ 107,189 | \$ 1,083,796 | \$ 206,978 | \$ 238,163 | \$ 26,463 | \$ 2,028,234 | \$ 1,857,792 |
| Employee benefits | 51,215 | 26,941 | 16,351 | 165,324 | 47,724 | 46,094 | 5,122 | 358,771 | 382,260 |
| Direct campaign expenses (Note 6) | 23,504 | - | - | - | - | 23,504 | - | 47,008 | 87,844 |
| Occupancy | 16,974 | 11,316 | 6,601 | 210,230 | 7,544 | 20,746 | 5,657 | 279,068 | 107,877 |
| Publicity/marketing | 1,982 | - | 7,269 | 661 | - | 3,304 | - | 13,216 | 41,045 |
| Data processing | 5,975 | 2,787 | 2,390 | 1,992 | 1,992 | 20,712 | 3,983 | 39,831 | 37,693 |
| Legal/audit fees/professional fees | - | - | - | - | 37,185 | - | - | 37,185 | 34,150 |
| Credit card fees (Note 6) | 9,992 | - | - | - | - | 9,992 | - | 19,984 | 25,214 |
| Conferences and training | 1,563 | 651 | 651 | 521 | 130 | 5,863 | 3,648 | 13,027 | 17,361 |
| Telephone | 2,036 | 678 | 1,018 | 1,357 | 679 | 11,028 | 170 | 16,966 | 16,078 |
| Office supplies | 1,356 | 339 | 1,130 | 3,164 | 564 | 4,520 | 226 | 11,299 | 8,151 |
| Missions | 18,478 | - | - | - | - | 18,477 | - | 36,955 | 15,450 |
| Annual meeting | 164 | - | 820 | - | - | 656 | - | 1,640 | 3,010 |
| Stationery and printing | 349 | 62 | 410 | 103 | 102 | 1,026 | - | 2,052 | 2,853 |
| Depreciation | 48,137 | 32,091 | 18,720 | 72,204 | 21,394 | 58,833 | 16,045 | 267,424 | 260,733 |
| Postage | 937 | 165 | 276 | 441 | 110 | 3,583 | - | 5,512 | 3,407 |
| Insurance | 4,285 | 2,857 | 1,666 | 6,428 | 1,904 | 5,237 | 1,428 | 23,805 | 21,783 |
| Committee expenses | 4,827 | 6,758 | 1,931 | 965 | - | 3,862 | 965 | 19,308 | 1,375 |
| Recruiting/relocation | 141 | 94 | 178 | 141 | 9 | 281 | 94 | 938 | 38 |
| Awards and subscriptions | 536 | - | 2,679 | - | - | 2,144 | - | 5,359 | 5,510 |
| Program expenses | - | - | - | 363,266 | - | - | - | 363,266 | 503,062 |
| Miscellaneous | 333 | 334 | 334 | 262 | 30 | 1,639 | 152 | 3,084 | 1,916 |
| Bad debt | - | - | - | - | - | 58,000 | - | 58,000 | 2,593 |
| Agency allocations and expenses | - | 3,092,863 | - | - | - | - | - | 3,092,863 | 3,307,319 |
| Total | \$ 457,410 | \$ 3,278,955 | \$ 169,613 | \$ 1,910,855 | \$ 326,345 | \$ 537,664 | \$ 63,953 | \$ 6,744,795 | \$ 6,744,514 |

See Notes to Financial Statements.

Jewish Federation of Greater Hartford

Statement of Functional Expenses Year Ended June 30, 2022

| | Community services | | | | | Fundraising | | Total |
|------------------------------------|------------------------------|-------------------------------|--|------------------------|---------------------------|--------------------|--------------------------------------|---------------------|
| | Outreach and education | Planning and allocation | Communication, marketing and public relations | Federation services | Management and general | Annual campaign | Financial resource development | |
| Wages | \$ 236,796 | \$ 91,088 | \$ 175,800 | \$ 921,000 | \$ 195,725 | \$ 213,645 | \$ 23,738 | \$ 1,857,792 |
| Employee benefits | 51,296 | 16,723 | 44,516 | 169,092 | 49,337 | 46,166 | 5,130 | 382,260 |
| Direct campaign expenses (Note 6) | 43,922 | - | - | - | - | 43,922 | - | 87,844 |
| Occupancy | 19,418 | 12,945 | 7,551 | 29,127 | 8,630 | 23,733 | 6,473 | 107,877 |
| Publicity/marketing | 6,157 | - | 22,575 | 2,052 | - | 10,261 | - | 41,045 |
| Data processing | 5,654 | 2,638 | 2,262 | 1,885 | 1,885 | 19,600 | 3,769 | 37,693 |
| Legal/audit fees/Professional fees | - | - | - | - | 34,150 | - | - | 34,150 |
| Credit card fees (Note 6) | 12,607 | - | - | - | - | 12,607 | - | 25,214 |
| Conferences and training | 2,083 | 868 | 868 | 694 | 174 | 7,813 | 4,861 | 17,361 |
| Telephone | 1,929 | 643 | 965 | 1,286 | 643 | 10,451 | 161 | 16,078 |
| Office supplies | 978 | 245 | 815 | 2,282 | 408 | 3,260 | 163 | 8,151 |
| Missions (Note 5) | 7,725 | - | - | - | - | 7,725 | - | 15,450 |
| Annual meeting | 301 | - | 1,505 | - | - | 1,204 | - | 3,010 |
| Stationery and printing | 485 | 86 | 570 | 143 | 143 | 1,426 | - | 2,853 |
| Depreciation | 46,932 | 31,288 | 18,251 | 70,398 | 20,859 | 57,361 | 15,644 | 260,733 |
| Postage | 579 | 102 | 170 | 273 | 68 | 2,215 | - | 3,407 |
| Insurance | 3,921 | 2,614 | 1,525 | 5,881 | 1,743 | 4,792 | 1,307 | 21,783 |
| Committee expenses | 344 | 481 | 137 | 69 | - | 275 | 69 | 1,375 |
| Recruiting/relocation | 6 | 4 | 7 | 6 | - | 11 | 4 | 38 |
| Awards and subscriptions | 551 | - | 2,755 | - | - | 2,204 | - | 5,510 |
| Program expenses | - | - | - | 503,062 | - | - | - | 503,062 |
| Miscellaneous | 211 | 211 | 211 | 134 | 19 | 1,034 | 96 | 1,916 |
| Bad debt | - | - | - | - | - | 2,593 | - | 2,593 |
| Agency allocations and expenses | - | 3,307,319 | - | - | - | - | - | 3,307,319 |
| Total | \$ 441,895 | \$ 3,467,255 | \$ 280,483 | \$ 1,707,384 | \$ 313,784 | \$ 472,298 | \$ 61,415 | \$ 6,744,514 |

See Notes to Financial Statements.

Jewish Federation of Greater Hartford

Statements of Cash Flows
Years Ended June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| Cash flows from operating activities | | |
| Change in net assets | \$ 49,708 | \$ (286,858) |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | |
| Unrealized (gain) loss on investments | (42,232) | 30,764 |
| Depreciation | 267,424 | 260,733 |
| Bad debt expense | 58,000 | 2,593 |
| Change in value of charitable remainder trust | 17,364 | 10,092 |
| Change in operating assets and liabilities | | |
| Promises to give - annual and special campaigns, net | (468,584) | 498,549 |
| Loan receivable | (8,348) | (66,467) |
| Due from Jewish Community Foundation | 189,425 | (65,217) |
| Other current assets | (1,717) | (21,133) |
| Prepaid expenses and advance allocations | 33,845 | 49,746 |
| Deferred compensation | (2,972) | (972) |
| Allocations payable | 222,520 | (18,834) |
| Accounts payable and accrued expenses | 44,175 | (4,994) |
| Refundable advance | 125,000 | - |
| Other liabilities | (18,170) | (13,419) |
| Deferred compensation | 2,972 | 972 |
| | <u>468,410</u> | <u>375,555</u> |
| Net cash provided by operating activities | | |
| Cash flows from investing activities | | |
| Acquisition of equipment and furniture and improvements | (43,147) | (41,405) |
| Purchase of investments | (1,662,017) | (218,562) |
| Sale of investments | 503,478 | (9,817) |
| | <u>(1,201,686)</u> | <u>(269,784)</u> |
| Net cash used in investing activities | | |
| Net (decrease) increase in cash and cash equivalents | (733,276) | 105,771 |
| Cash and cash equivalents, beginning | <u>4,019,009</u> | <u>3,913,238</u> |
| Cash and cash equivalents, end | <u>\$ 3,285,733</u> | <u>\$ 4,019,009</u> |

See Notes to Financial Statements.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Note 1 - Organization and summary of significant accounting policies

Organization

Jewish Federation of Greater Hartford (the "Federation") is a community-based nonprofit organization whose purpose is to raise funds for the support of local, national and overseas Jewish philanthropic programs and agencies; to enrich the educational, cultural and social life of the Greater Hartford Jewish community; to provide for central planning, coordination and administration of local Jewish communal services; to safeguard and defend the civic, economic and religious rights of the Jewish people; to represent the Jewish community in interfaith and intergroup activities; and to maintain links with the Jewish people of Israel and in every other part of the world.

Financial statement presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. The Federation reports information regarding its financial position and activities according to two classes of net assets described as follows:

Net assets without donor restrictions

Net assets without donor restrictions - represent available resources other than donor-restricted contributions. Included in net assets without donor restrictions are funds that may be earmarked for specific purposes.

Board-designated net assets - net assets established by the Board of Directors, which represents funds without donor restrictions set aside for future needs of the Federation.

Net assets with donor restrictions

Net assets subject to donor- (or certain grantor-) imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Property and equipment

The Federation capitalizes all expenditures for property and equipment that are in excess of \$1,000 and have a useful life greater than three years. Purchased property and equipment are carried at cost. Donated property and equipment used in operations are recorded at the approximate fair value at the date of donation. Donated collection items are expensed in the period acquired. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated lives for financial reporting purposes are as follows:

| Asset | Estimated lives |
|--------------------------------|-----------------|
| Building | 30 years |
| Equipment and furniture | 3 - 5 years |
| Land and building improvements | 5 - 15 years |

Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in change in net assets for the period.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Concentrations of credit risk

Financial instruments that potentially subject the Federation to concentrations of credit risk consist principally of cash and cash equivalents and pledges receivable. The Federation maintains its cash and cash equivalents in bank deposit accounts, which, at times, may exceed federally insured limits. The Federation has not experienced any losses in such accounts. As of June 30, 2023, the Federation had \$2,114,070 of cash and cash equivalents in excess of federally insured limits.

The Federation had a balance in excess of \$500,000 in a brokerage account. Amounts over \$500,000 per brokerage firm are not insured by the Securities Investor Protection Corporation. This balance may fluctuate during the year and can exceed the \$500,000 limit. Management regularly monitors the brokerage firm and tries to keep this potential risk to a minimum. At June 30, 2023, the Federation's balance in excess of the insured limit was approximately \$1,445,000. The funds held by the Federation consist of Treasury securities.

Promises to give are due from individuals, families and companies located primarily in the Greater Hartford Area. The concentration of credit risk is reduced due to the large number of contributors to the Federation. At June 30, 2023 and 2022, pledges receivable are as follows:

| | Gross | Cumulative allowance | Net |
|-------------------|---------------------|----------------------|---------------------|
| <u>2022</u> | | | |
| Annual campaign | \$ 2,354,559 | \$ 283,803 | \$ 2,070,756 |
| Special campaigns | 371,889 | 10,362 | 361,527 |
| | <u>\$ 2,726,448</u> | <u>\$ 294,165</u> | <u>\$ 2,432,283</u> |
| <u>2021</u> | | | |
| Annual campaign | \$ 2,086,360 | \$ 249,913 | \$ 1,836,447 |
| Special campaigns | 195,614 | 10,362 | 185,252 |
| | <u>\$ 2,281,974</u> | <u>\$ 260,275</u> | <u>\$ 2,021,699</u> |

Promises to give

Unconditional promises to give are recorded as promises to give when the promise is received. Promises to give received in the current year for next year's annual campaign are recorded as time restricted contributions. The contributions are reclassified to net assets without donor restrictions in the year they are used to fund allocations paid to Jewish philanthropic agencies.

From time to time, certain donors contribute cash or stocks that are designated for specific Jewish and other philanthropic agencies. Designated gifts are recorded when they are designated by the donors.

Allowances are provided for amounts estimated to be uncollectible and are based upon several factors, the principal one of which is the Federation's experience with collections of promises to give. Promises to give considered uncollectible are charged against such allowance.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Deferred compensation

The assets of the deferred compensation plan are recorded as cash and cash equivalents or investments based on the assets held by the plan. The assets of this plan are recorded in a separate account on the financial statements. A corresponding liability is also recorded for these assets.

Contributions

Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where the Federation has to overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if the Federation fails to overcome the barrier. The Federation recognizes the contribution revenue upon overcoming the barrier or hurdle. Any funding received prior to overcoming the barrier is recognized as a refundable advance.

Unconditional contributions are recognized as revenue and receivable when the commitment to contribute is received.

Unconditional contributions are recorded as either with donor restriction or without donor restriction. Contributions are recognized as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated asset or are restricted due to time. Contributions received with no donor stipulations or time restrictions are recorded as contributions without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the statements of activities as net assets released from restriction. Donor-restricted contributions whose restrictions or conditions expire during the same fiscal year are recognized as contributions without donor restrictions.

Grant and contract services

Grants are recorded as receivables in the year the commitment is made by the grantor. Grants and other support received and expended in the same period are recorded as revenue and support without donor restrictions. Restricted grants designated by the grantor for specific operating purposes, endowment or property acquisitions are recorded as restricted revenue and support and reclassified to revenue and support without donor restrictions when the Federation has expended funds which meet the specific restrictions. Unexpended amounts are classified as net assets with donor restrictions in the accompanying statements of financial position. Grants due from the Jewish Community Foundation of Greater Hartford (the "Foundation") at June 30, 2023 and 2022 were \$39,996 and \$229,421, respectively. Other support includes Jewish Community Foundation grants and other foundations support.

Commercial rental income

Commercial income is recognized in accordance with the contractual rents due under the terms of the related leases. GAAP requires rental income be recorded on the straight-line method with the excess of the rents billed recognized as deferred rent receivable; however, the contractual rents schedule is not materially different from the results that would have been obtained under the straight-line method. The Federation begins recognizing rental revenue when the tenant has the right to take possession of or controls the physical use of the property under lease. The Federation includes a renewal period in the lease term only if it appears at lease inception that the renewal is reasonably certain. If the collectability of future lease payments from tenants is not probable, the Federation recognizes revenue at the lesser of (a) the rental payment schedule or (b) lease payments. All leases between the Federation and the commercial tenants of the property are operating leases.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Agency allocations

Before the end of each fiscal year, the Board of Directors determines the allocations that will be paid in the subsequent fiscal year to national and local agencies and the Jewish Federations of North America. Since the commitment is made prior to the end of the fiscal year, the allocations are accrued and expensed. The allocation methodology used focuses on specific programmatic needs.

Any difference between the amount accrued and expensed in the current fiscal year and actually paid in the subsequent year is recognized as an adjustment to allocation expense in the subsequent fiscal year. In fiscal years ended June 30, 2023 and 2022, there were no allocations paid in excess of/(under) the accrued amount.

Investments

The Federation reports investments at their current fair values and reflects any gains or losses in the statements of activities. Gains and losses are considered without donor restrictions unless restricted by donor stipulation or by operation of law.

Tax-exempt status

The Federation is exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). The Federation has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions.

Management has analyzed the tax positions taken by the Federation and has concluded that, as of June 30, 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Federation's federal information returns prior to fiscal year 2020 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

The Federation will recognize interest and penalties associated with uncertain tax positions as part of the income tax provision and includes accrued interest and penalties with the related tax liability in the statements of financial position.

Cash and cash equivalents

For purposes of the statements of cash flows, the Federation considers all highly-liquid investments with a maturity of three months or less when acquired to be cash equivalents. At June 30, 2023 and 2022, total cash of \$3,285,733 and \$4,019,009 included cash equivalents of \$807,974 and \$1,441,799, respectively.

Donated services

Numerous volunteers have donated significant amounts of time to the Federation's activities. Voluntary services include helping to set corporate policy, fundraising, oversight of fiscal and operational matters, representation of the Federation at Jewish and general community events and in the media, assistance with the development of Federation programs and projects and feedback to the Federation about community needs and interests. Volunteers also actively participate in hands-on activities such as Children's Reading Partners, Interfaith Relationship Building and community-wide volunteer activities. The value of this contributed time is not reflected in the accompanying financial statements as the volunteer services provided do not meet the criteria to be recorded under generally accepted accounting principles.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional expenses

The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Health and retirement benefits and payroll taxes are allocated to programs based on the percentage of salary expense of the program to total salary expense. Maintenance and security and depreciation expenses have been allocated based upon square footage utilization. All other program expenses represent actual costs incurred.

New accounting pronouncement

The Federation adopted Accounting Standards Update 2016-02 (as amended), *Leases* ("Topic 842") on July 1, 2022. The Federation elected and applied the following transition practical expedients when initially adopting Topic 842:

- The package of practical expedients permitting the Federation to not reassess (i) the lease classification of existing leases; (ii) whether existing and expired contracts are or contain leases; and (iii) initial direct costs for existing leases.
- The Federation elected the practical expedient to combine its lease and non-lease components with respect to its commercial leases that meet the defined criteria and will account for the combine lease components under Topic 842 on a prospective basis.

Leases with commercial tenants not classified as sales-type or direct financing leases are classified as operating leases. The Federation accounted for its existing leases with commercial tenants as operating leases. As lessor in commercial lease arrangements, there were no accounting adjustments required.

There was no cumulative effect adjustment to net assets required upon adoption of the new standard.

Reclassifications

Certain prior year amounts have been reclassified to conform with the current year presentation.

Subsequent events

The Federation has evaluated events and transactions for potential recognition or disclosure through November 2, 2023, which is the date the financial statements were available to be issued.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Note 2 - Liquidity

The Federation regularly monitors liquidity required to meet its annual operating needs and other contractual commitments. The Federation has financial assets available to meet annual operating needs for the 2024 and 2023 fiscal years as follows:

| | 2023 | 2022 |
|---|-------------------------|-------------------------|
| Cash and cash equivalents | \$ 3,285,733 | \$ 4,019,009 |
| Promises to give | 2,432,283 | 2,021,699 |
| Investments | 1,405,788 | 205,017 |
| Due from Jewish Community Foundation | 39,996 | 229,421 |
| Total financial assets | 7,163,800 | 6,475,146 |
| Less | | |
| Donor-imposed restrictions | (1,845,053) | (1,703,753) |
| Board-designated reserves | (949,193) | (825,691) |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 4,369,554</u> | <u>\$ 3,945,702</u> |

These financial assets are not subject to any donor or contractual restrictions. The Federation supports its general operations primarily with donor contributions without donor restrictions and donor-restricted funds whose time or purpose restriction has been met. The Federation also has a \$500,000 line of credit available for use.

Note 3 - Investments

The fair value and cost or original acquisition value of investments as of June 30, 2023 and 2022 are as follows:

| | 2023 | | 2022 | |
|--------------------------|---------------------|---------------------|-------------------|-------------------|
| | Cost | Fair value | Cost | Fair value |
| Equities - stocks | \$ 8,392 | \$ 28,218 | \$ 5,127 | \$ 14,318 |
| Investments held by JCF | 251,845 | 240,083 | 218,562 | 190,699 |
| Government bonds | 282 | 124 | - | - |
| U.S. treasury securities | 1,122,993 | 1,137,363 | - | - |
| | <u>\$ 1,383,512</u> | <u>\$ 1,405,788</u> | <u>\$ 223,689</u> | <u>\$ 205,017</u> |

Note 4 - Retirement plans

The Federation maintains a Section 403(b) Defined Contribution Plan ("Plan"). Under the Plan, the Federation matches each eligible employee's contribution up to a maximum of 4% of compensation. Eligible employees receive a match after one year of employment if they work a minimum of 1,000 service hours in the plan year and are still employed at December 31 of that year. Employer contributions are fully vested upon contribution to the individual's custodial accounts. For 2023 and 2022, contribution expense of \$42,654 and \$47,072, respectively, was included in employee benefits in the statements of functional expenses.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

The Federation established a deferred compensation plan under Section 457(b) of the Internal Revenue Code. Eligibility is immediate for the 457(b) plan. Each year the Federation shall make a deemed contribution to the 457(b) plan on behalf of the participant as determined by the plan documents. Maximum contributions are the lesser of the dollar limit set forth in Section 457(e)(15) of the Internal Revenue Service Code or 100% of the participant's includible compensation for the taxable year. A participant shall be fully vested at all times in their Federation contributions account and such amount shall be nonforfeitable at all times subject to the claims of creditors of the Federation. Contributions to the 457(b) plan for 2023 and 2022 were approximately \$1,080 and \$3,772 and are included in employee benefits in the statements of functional expenses.

Note 5 - Rental income

The Federation rents portions of the building under leases that expire through June 2026. The rent revenue totaled \$120,607 which is included in rental income in the statement of activities for the year ended June 30, 2023. The schedule of future minimum rental revenues under the terms of noncancelable leases greater than one year as of June 30, 2023 is as follows:

| | | |
|------|----|----------------|
| 2024 | \$ | 120,079 |
| 2025 | | 121,075 |
| 2026 | | <u>116,189</u> |
| | \$ | <u>357,343</u> |

Note 6 - Allocation of joint costs

In 2023 and 2022, the Federation incurred joint costs of \$934,035 and \$859,957, respectively, for informational materials and activities that included fundraising appeals. Joint costs are expenses that benefit multiple purposes including fundraising components, as well as program components. Joint costs are as follows:

| | 2023 | 2022 |
|---------------------------------|-------------------|-------------------|
| Annual campaign | \$ 537,664 | \$ 472,298 |
| Financial resource development | 63,953 | 61,415 |
| Outreach and education expenses | <u>457,410</u> | <u>441,895</u> |
| Campaign and education expenses | 1,059,027 | 975,608 |
| Less direct costs | | |
| Direct campaign expenses | (47,008) | (87,844) |
| Credit card fees | <u>(19,984)</u> | <u>(25,214)</u> |
| Total joint costs | <u>\$ 992,035</u> | <u>\$ 862,550</u> |

Note 7 - Related party transactions - Board members

The Federation requires each Board member to complete a "Conflict of Interest" disclosure. These disclosures are reviewed and monitored by management who are responsible to take appropriate steps to inform the board of prohibited transactions between the Federation and Board members. The Board of Directors consist of up to 30 individuals. Certain Board members of the Federation also may serve on boards that receive allocations. In addition, certain board members serve on the

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

board of a funding organization, the Jewish Community Foundation of Greater Hartford. The Federation may procure certain services from companies which are owned or affiliated with certain Board members.

Note 8 - Charitable remainder trust

The Federation was the trustee of a trust that was administered by the Foundation. This charitable remainder trust provided for the payment of distributions to the grantor or designated beneficiaries over the trust's term. At the end of the trust's term, the remaining assets, if any, were available for the Federation's use. The portion of the trust attributable to the future interest of the Federation was recorded in the statements of activities as a contribution in the period the trust was established. Assets held in this charitable remainder trust are recorded at fair value in the Federation's statements of financial position. On an annual basis, the Federation revalued the liability to make distributions to the designated beneficiary based on the current actuarial assumptions. During 2023, the remaining beneficiaries died and the assets became available for the Federation's use.

The total fair value of charitable remainder trust as of June 30, 2023 and 2022 was as follows:

| | 2023 | 2022 |
|--|------|-----------|
| Charitable remainder trust for the benefit of the Federation | \$ - | \$ 22,629 |
| Liability under charitable remainder trust | \$ - | \$ 5,265 |

Note 9 - Fair value measurements

The Federation values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data. If an asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Federation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

The Federation's financial assets measured at fair value at June 30, 2023 are classified in the table below in one of the three categories described above:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|---------------------|---------------|-------------------|---------------------|
| Equities - stocks | \$ 28,218 | \$ - | \$ - | \$ 28,218 |
| Investments held by JCF | - | - | 240,083 | 240,083 |
| Government bonds | - | 124 | - | 124 |
| U.S. treasury securities | 1,137,363 | - | - | 1,137,363 |
| Deferred compensation plan | | | | |
| Money market funds | 593 | - | - | 593 |
| Exchange traded funds | 18,966 | - | - | 18,966 |
| | <u>18,966</u> | <u>-</u> | <u>-</u> | <u>18,966</u> |
| Total assets at fair value | <u>\$ 1,185,140</u> | <u>\$ 124</u> | <u>\$ 240,083</u> | <u>\$ 1,425,347</u> |

The Federation's financial assets measured at fair value at June 30, 2022 are classified in the table below in one of the three categories described above:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|------------------|------------------|-------------------|-------------------|
| Equities - stocks | \$ 14,318 | \$ - | \$ - | \$ 14,318 |
| Investments held by JCF | - | - | 190,699 | 190,699 |
| Charitable remainder trust | - | 22,629 | - | 22,629 |
| Deferred compensation plan | | | | |
| Money market funds | 1,855 | - | - | 1,855 |
| Exchange traded funds | 14,732 | - | - | 14,732 |
| | <u>14,732</u> | <u>-</u> | <u>-</u> | <u>14,732</u> |
| Total assets at fair value | <u>\$ 30,905</u> | <u>\$ 22,629</u> | <u>\$ 190,699</u> | <u>\$ 244,233</u> |

Investments in stocks, money markets and exchange traded funds are valued at the daily closing price as reported by the fund at the end of the fiscal year (Level 1). Charitable remainder trusts (invested in bonds) for which the Federation is the trustee and government bonds are designated as Level 2 instruments and valuations are obtained from readily-available pricing sources for comparable instruments. Investments held by JCF are held in investment pools that are valued at the value of the Federation's share of the pooled assets. The pools are made up of investments valued using level one inputs as well as net asset values. U.S. treasury securities are valued at the closing price reported in the active market in which the individual bonds and securities are traded. Instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. There were no changes in valuation techniques during fiscal years 2023 and 2022.

The Federation currently has Level 3 investments totaling \$240,083 and \$190,699 for the years ended June 30, 2023 and 2022, respectively. For the years ended June 30, 2023 and 2022, there were purchases of \$33,283 and \$218,562, respectively. There were no sales or transfers of investments during the years ended June 30, 2023 and 2022.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Investment income for the years ended June 30, 2023 and 2022 is summarized as follows:

| | 2023 | 2022 |
|------------------------------|------------------|--------------------|
| Interest and dividend income | \$ 26,340 | \$ 2,182 |
| Realized gain | 4,092 | - |
| Unrealized gain (loss) | 42,232 | (30,764) |
| Investment income | <u>\$ 72,664</u> | <u>\$ (28,582)</u> |

Note 10 - Line of credit

The Federation has a \$500,000 three-year operating line of credit. This line is secured by all business assets, including all campaign pledges. Interest is computed at the prime rate of interest minus one-half percentage point (7.75% at June 30, 2023). Repayment terms are monthly interest only with principal due at maturity. The line expires June 25, 2024.

Note 11 - Assets held by a nonprofit organization for the benefit of another organization

The Foundation follows the United States Treasury regulations for community foundations which require community foundations to have restricted variance power over the funds they administer. Although the variance power the Foundation can exercise is very restrictive (e.g., the Foundation can redirect the use of funds if the Federation ceases operations or substantially changes its operations), it meets the variance power requirements of Accounting Standards Codification ("ASC") 958-605, *Revenue Recognition*. Accordingly, these assets are not allowed to be recorded in the Federation's financial statements.

ASC 958-605 requires assets held by an organization for the benefit of another organization to be recognized in the financial statements of the beneficiary organization. However, if variance power is granted to the recipient organization, the requirements of ASC 958-605 will not have to be followed. Variance power means the donor has granted the recipient organization authority to redirect the use of the assets donated.

Presently, the Foundation administers PACE/LOJE and testamentary funds, which were to fund the charitable mission of the Federation. In addition, a capital expenditure fund was created with contributions in prior years from both the Federation and the Foundation to help meet the ongoing capital maintenance and major equipment needs of Federation beneficiary agencies. A committee consisting of Federation and Foundation representatives is responsible for reviewing capital maintenance and equipment funding requests, making grant recommendations and overseeing the administration of the grants.

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Funds administered by the Foundation for the benefit of the Federation as of June 30, 2023 and 2022 were as follows:

| | 2023 | 2022 |
|---|----------------------|----------------------|
| PACE/LOJE | \$ 8,502,752 | \$ 8,030,604 |
| Gifts from JCF without donor restrictions | 4,539,516 | 4,395,749 |
| Security endowment | 96,855 | 89,051 |
| Building capital reserve | 52,931 | 28,087 |
| Capital expenditure fund | 1,645,258 | 1,612,118 |
| | <u>\$ 14,837,312</u> | <u>\$ 14,155,609</u> |

Note 12 - Investments held with JCF

During the year, the Federation created a custodial account held at the Jewish Community Foundation for the specific purpose of funding any capital improvements for the Community Services Building. The amounts deposited for the year ended June 30, 2023 were \$33,283. Part of the custodial agreement includes the ability for the Jewish Community Foundation to invest these funds. These investments are subject to market fluctuations. As of June 30, 2023, the realized gain on the funds were \$4,092 and unrealized loss on the funds were \$11,564. The value of the funds at June 30, 2023 were \$240,083. The net asset is recorded on the statements of financial position of the Federation.

Note 13 - Jewish Hartford Rapid Relief and Recovery Fund

In response to the challenges due to the COVID-19 pandemic, the Federation partnered with the Foundation to create the Jewish Hartford Rapid Relief and Recovery Fund (the "RRR Fund"). The joint initiative raised \$789,617 as of June 30, 2023 and 2022, respectively. The Foundation had set up a fund for the amounts collected. A special Committee was formed to determine needs and develop a process to grant the funds. These grants were split into three categories of assistance - humanitarian (to aid individuals), local Jewish agencies and local synagogues. The following is a summary of the Fund's activity for the years ended June 30, 2023 and 2022:

| | |
|---|------------------|
| Available funds as of July 1, 2021 | \$ 792,117 |
| Amounts received and sent to the Foundation | 4,020 |
| Amounts promised to the Fund held by the Federation | (4,020) |
| Amounts written off | <u>(2,500)</u> |
| Available funds as of June 30, 2022 | 789,617 |
| Amounts promised to the Fund held by the Federation | <u>(789,617)</u> |
| Available funds as of June 30, 2023 | <u>\$ -</u> |

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Note 14 - Jewish Free Loan Fund of Greater Hartford

The Federation created the Jewish Free Loan Fund of Greater Hartford to provide interest-free loans to help Greater Hartford Jewish community members overcome financial hurdles and seize new opportunities with dignity and confidentiality. The fund provides personal loans of up to \$10,000 and small business loans of up to \$15,000 to eligible applicants for approved purposes. Loans are expected to be completely repaid beginning December 2024 through December 2025. The following is a summary of activity as of June 30:

| | 2023 | 2022 |
|---|-------------------|-------------------|
| Amounts of funds raised for the loan fund since inception | \$ 346,600 | \$ 256,600 |
| Loans disbursed from the fund since inception | (149,250) | (95,750) |
| Funds available to distribute for loans | <u>\$ 197,350</u> | <u>\$ 160,850</u> |

Note 15 - Board-designated net assets

The Board of Directors has designated accumulated prior year net assets without donor restrictions for the following purposes:

| | Total board- designated allocations | Paid prior to year ended June 30, 2023 | Released/ transferred by the board | Balance at June 30, 2023 | Balance at June 30, 2022 |
|---|---|--|--|-----------------------------|-----------------------------|
| Computer network | \$ 193,554 | \$ - | \$ 19,000 | \$ 212,554 | \$ 193,554 |
| Operating reserves | 411,519 | - | 40,000 | 451,519 | 411,519 |
| Jewish Hartford United | 25,000 | 17,250 | - | 7,750 | 25,000 |
| Liquidity reserves | 474,425 | 70,755 | 126,300 | 277,370 | 195,618 |
| Total board-designated net assets without donor restrictions | <u>\$ 1,104,498</u> | <u>\$ 88,005</u> | <u>\$ 185,300</u> | <u>\$ 949,193</u> | <u>\$ 825,691</u> |

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Note 16 - Net assets with donor restrictions

Net assets with donor restrictions as of June 30, 2023 and 2022 are restricted for the following:

| | 2023 | 2022 |
|---|---------------------|---------------------|
| Next fiscal year annual campaign | \$ 409,262 | \$ 264,433 |
| Leadership, education and engagement programs | 68,243 | 239,596 |
| Marketing rebrand | 23,500 | 23,500 |
| Security initiative | 892,747 | 694,250 |
| JCRC/Literacy program | 129,008 | 58,497 |
| Jewish Free Loan Fund of Greater Hartford | 197,350 | 160,850 |
| Jessie's Community Gardens | 17,553 | 17,537 |
| PJ Library campaign | 59,267 | 15,500 |
| Dignity | 4,848 | 4,500 |
| Sponsorships for future events | - | 109,762 |
| Donor restricted for designated gifts | 31,239 | 20,179 |
| Ukraine relief fund | 12,036 | 95,149 |
| | <u>\$ 1,845,053</u> | <u>\$ 1,703,753</u> |

Net assets with donor restrictions released from restrictions as of June 30, 2023 and 2022 were as follows:

| | 2023 | 2022 |
|---|-------------------|-------------------|
| Time restricted contributions | \$ 220,265 | \$ 88,456 |
| Leadership, education and engagement programs | 182,378 | 64,854 |
| Security initiative | 252,382 | 240,077 |
| JCRC/Literacy program | 25,939 | 67,280 |
| Jewish Free Loan Fund of Greater Hartford | 53,500 | 95,750 |
| Jessie's Community Gardens | 370 | - |
| PJ Library campaign | 18,500 | 39,546 |
| Dignity | 19,277 | 103,486 |
| Sponsorships for future events | 109,762 | - |
| Designated gifts | 2,440 | 5,400 |
| JCF building capital improvements | - | 35,000 |
| Ukraine | 85,473 | - |
| | <u>\$ 970,286</u> | <u>\$ 739,849</u> |
| Total released from restrictions | | |

Jewish Federation of Greater Hartford

Notes to Financial Statements June 30, 2023 and 2022

Note 17 - Public support - annual campaign

A reconciliation of total funds raised in each annual campaign is as follows:

| | <u>2023</u> | <u>2022</u> |
|---|---------------------|---------------------|
| Annual campaign - without donor restrictions current year | \$ 3,916,959 | \$ 4,211,241 |
| Annual campaign - without donor restrictions prior year | <u>509,501</u> | <u>264,590</u> |
| | 4,426,460 | 4,475,831 |
| Annual campaign - released from time restriction | <u>220,265</u> | <u>88,456</u> |
| | <u>\$ 4,646,725</u> | <u>\$ 4,564,287</u> |

Note 18 - Conditional contribution

During 2023, the Federation received an award for a conditional grant in the amount of \$250,000. This grant requires the Federation to meet certain conditions in accordance with the agreement. Upon meeting the conditions, the Federation will record the related revenue. If the conditions are not met, any advanced payments will be returned. As of June 30, 2023, \$125,000 was recorded as a refundable advance relating to this contribution.

Note 19 - Loan receivable

The Federation established the Hartford free loan fund in order to assist members of the community residing in the Hartford area. Loans range can range from \$1,000 to \$15,000. Currently no loan has been given in excess of \$10,000. Loans have repayment terms of 30 months with the first payment starting 30 days after funding with the first payment being paid on the 5th or 30th of each month. As of June 30, 2023 and 2022 the total loan receivable was \$91,898 and \$83,550, respectively, and is shown on the statements of financial position.

Supplementary Information

Jewish Federation of Greater Hartford

Agency Allocations Years Ended June 30, 2023 and 2022

| | 2023 | 2022 |
|--|--------------|--------------|
| Local agencies and services | | |
| Association of Jewish Cemeteries | \$ 106,723 | \$ 116,343 |
| Friendship Circle | 20,000 | 5,000 |
| Birthright Israel | 12,500 | 15,000 |
| B'nai B'rith Youth Organization | 16,000 | 7,500 |
| Camp Gan Izzy | 10,000 | 5,000 |
| Camp Laurelwood | 16,000 | 15,000 |
| Dignity Grows | - | 30,000 |
| Campership Program | 10,000 | 10,000 |
| Good, Great, Greater Hartford | 27,000 | 12,000 |
| Voices of Hope | 11,000 | 9,000 |
| New England Jewish Academy | 202,000 | 190,000 |
| Hebrew Senior Care | 58,000 | 22,000 |
| UConn Hillel | 36,500 | 29,500 |
| Hillel - University of Hartford - Student Leadership | 62,500 | 37,500 |
| Eruv Committee of West Hartford | 1,500 | 1,000 |
| Israel Action Network | 5,794 | 5,794 |
| Jewish Association for Community Living | 35,000 | 21,000 |
| Jewish Family Services | 280,000 | 260,500 |
| Jewish Family Services - Rent Subsidy | 26,000 | 25,000 |
| Jewish Federation Association of Connecticut | 30,939 | 30,939 |
| Jewish Historical Society | 11,500 | 10,000 |
| Jewish Historical Society - Rent Subsidy | 5,000 | 5,000 |
| Jewish Teen Learning Connection | 87,000 | 82,000 |
| Tekes Ma'avar | 1,500 | - |
| JLA - Jewish Leadership Academy | 35,000 | 25,000 |
| Manchester Advisory Fund | 17,000 | 17,000 |
| Mandell Jewish Community Center | 260,000 | 260,000 |
| Mikveh of West Hartford | 10,000 | 10,000 |
| Future Commitment | 25,144 | 58,716 |
| Solomon Schechter Day School | 202,000 | 190,000 |
| Travel to Israel | 1,100 | 1,100 |
| UConn - Judaic Studies | 10,000 | 10,000 |
| USY (Hanefesh) | 3,000 | 2,000 |
| ADL | 7,500 | 2,000 |
| | <hr/> | <hr/> |
| Subtotal | \$ 1,643,200 | \$ 1,520,892 |

Jewish Federation of Greater Hartford

Agency Allocations
Years Ended June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| Local agencies and services subtotal | \$ 1,643,200 | \$ 1,520,892 |
| Prior year allocation and adjustments | | |
| Allocations accrued as of the end of the previous year | 1,639,052 | 1,659,991 |
| Allocations paid and recognized | <u>(1,639,052)</u> | <u>(1,659,991)</u> |
| Total local agencies and services | <u>1,643,200</u> | <u>1,520,892</u> |
| Overseas agencies | | |
| The Jewish Federations of North America - annual campaign | 617,866 | 587,693 |
| The Jewish Federations of North America - emergency relief | <u>90,269</u> | <u>676,263</u> |
| Total overseas agencies | <u>708,135</u> | <u>1,263,956</u> |
| Total allocations | <u>\$ 2,351,335</u> | <u>\$ 2,784,848</u> |

See Independent Auditor's Report.



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