Jewish Federation®
OF GREATER METROWEST NJ

AND AFFILIATES

Consolidated Financial Statements

June 30, 2018 and 2017

With Independent Auditors' Report

withum
AUDIT TAX ADVISORY

Jewish Federation of Greater MetroWest NJ and Affiliates
June 30, 2018 and 2017

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ADVISORY TAX AUDIT

NDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Jewish Federation of Greater MetroWest NJ and Affiliates which comprise the consolidated statements of financial position as of June 30, 2018 and 2017, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Jewish Federation of Greater MetroWest NJ and Affiliates as of June 30, 2018 and 2017, 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.

Other Matters

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 and consolidating statements of activities and changes in net assets 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.

Emphasis of Matter

As discussed in Note 3 to the consolidated financial statements, in 2018, Jewish Federation of Greater MetroWest NJ and Affiliates adopted Accounting Standards Update 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

WithumSmith+Brown, PC

December 28, 2018

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Financial Position
June 30, 2018 and 2017

	2018	2017
Assets		
Current assets		
Cash and cash equivalents	$ 11,099,965	$ 10,914,117
Restricted cash held in investment pool	22,285,855	33,944,002
Pledges receivable, net	14,403,229	13,936,004
Due from beneficiary agencies, net of allowance for doubtful accounts, $4,254,133 and $4,132,224 as of June 30, 2018 and 2017, respectively	321,207	372,577
Loans receivable, current portion	205,298	364,087
Agency pension loan receivable, current portion	318,953	267,783
Other receivables	1,238,274	1,542,833
Notes receivable	2,916,000	--
Other current assets	1,220,930	891,984
Total current assets	54,009,711	62,233,387
Property and equipment, net	5,940,680	6,621,501
Long-term investments	425,320,556	346,108,242
Due from beneficiary agencies, net of current portion	224,007	480,810
Loans receivable, net of current portion	2,409,698	2,517,287
Agency pension loan receivable, net of current portion	9,570,395	9,833,370
Pledges receivable, net of current portion	44,052	203,152
Notes receivable, net of current portion	--	2,916,000
Cash surrender value of life insurance, net	6,834,675	6,563,235
Property and equipment held for rental, net	1,143,716	1,476,119
	445,547,099	370,098,215
Total assets	$ 505,497,490	$ 438,953,103

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

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Financial Position
June 30, 2018 and 2017

	2018	2017
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	$ 4,121,340	$ 4,739,242
Bonds payable	5,950,000	550,000
Grants payable	8,199,784	5,803,367
Split interest agreements payable	227,748	244,358
Post retirement health benefits	72,500	73,700
Pension loan payable	451,609	434,787
Due to beneficiary agencies	59,218	9,956
Deferred revenue	994,330	290,910
Capital lease payable	58,311	81,308
Total current liabilities	20,134,840	12,227,628
Long-term liabilities		
Bonds payable, net of current portion	9,065,000	15,015,000
Deferred revenue, net of current portion	1,317,435	1,325,657
Due to beneficiary agencies, net of current portion	24,130,469	26,164,185
Due to other organizations	27,137,760	26,757,323
Post retirement health benefits, net of current portion	676,664	786,278
Split interest agreements payable, net of current portion	897,912	1,055,115
Security deposits	160,848	160,848
Capital lease payable, net of current portion	121,280	148,433
Pension loan payable	16,435,278	16,886,886
Grants payable, net of current portion and discount	17,783,994	21,477,553
Total long term liabilities	97,726,640	109,777,278
Total liabilities	117,861,480	122,004,906
Net assets		
Without donor restrictions	298,385,374	230,435,451
With donor restrictions	89,250,636	86,512,746
Total net assets	387,636,010	316,948,197
Total liabilities and net assets	$ 505,497,490	$ 438,953,103

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Activities and Changes in Net Assets
Year Ended June 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions	$ 91,564,022	$ 5,151,165	$ 96,715,187
Less donor designations	(3,170,347)	--	(3,170,347)
Net contributions	88,393,675	5,151,165	93,544,840
Valuation allowance	250,474	--	250,474
Bequests	11,926	--	11,926
Rental income	2,830,429	--	2,830,429
Grants and contract revenue	196,046	--	196,046
Program and service fees	1,681,313	--	1,681,313
Investment income	18,737,768	6,100,216	24,837,984
Administrative fee revenue	371,608	--	371,608
Allocation of investment gain to funds held for others	(4,262,851)	--	(4,262,851)
Miscellaneous income	320,200	--	320,200
	108,530,588	11,251,381	119,781,969
Net assets released due to satisfaction of purpose restrictions	8,513,491	(8,513,491)	--
	117,044,079	2,737,890	119,781,969
Expenses			
Program services	40,564,232	--	40,564,232
Supporting services	8,529,924	--	8,529,924
	49,094,156	--	49,094,156
Changes in net assets	67,949,923	2,737,890	70,687,813
Net assets - beginning of year	230,435,451	86,512,746	316,948,197
Net assets - end of year	$ 298,385,374	$ 89,250,636	$ 387,636,010

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

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Activities and Changes in Net Assets
Year Ended June 30, 2017

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions	$ 45,298,457	$ 7,918,709	$ 53,217,166
Less donor designations	(1,067,928)	--	(1,067,928)
Net contributions	44,230,529	7,918,709	52,149,238
Valuation allowance	37,000	(35,129)	1,871
Bequests	6,000	--	6,000
Rental income	3,189,041	--	3,189,041
Grants and contract revenue	192,890	--	192,890
Program and service fees	1,450,693	--	1,450,693
Investment income	34,064,368	10,145,841	44,210,209
Administrative fee revenue	646,791	--	646,791
Allocation of investment gain to funds held for others	(6,185,608)	--	(6,185,608)
Advertising and subscription sales	292,402	--	292,402
Gain on sale of property	1,555,996	--	1,555,996
Miscellaneous income	333,912	--	333,912
	79,814,014	18,029,421	97,843,435
Net assets released due to satisfaction of purpose restrictions	7,358,175	(7,358,175)	--
	87,172,189	10,671,246	97,843,435
Expenses			
Program services	61,030,567	--	61,030,567
Supporting services	13,112,880	--	13,112,880
	74,143,447	--	74,143,447
Changes in net assets before adjustment for defined benefit plans	13,028,742	10,671,246	23,699,988
Adjustment for defined benefit plans	7,035,885	--	7,035,885
Changes in net assets	20,064,627	10,671,246	30,735,873
Net assets - beginning of year	210,370,824	75,841,500	286,212,324
Net assets - end of year	$ 230,435,451	$ 86,512,746	$ 316,948,197

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, 2018 and 2017

	2018	2017
Cash flows from operating activities		
Changes in net assets	$ 70,687,813	$ 23,699,988
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities		
Depreciation and amortization	1,049,398	1,112,858
Change in cash surrender value of life insurance	(271,440)	(148,783)
Change in value of split interest agreements	(125,946)	169,798
Gain on sale of property	--	(1,555,996)
Bad debt (recovery) expense	(91,759)	1,713,938
Provisions for collections on losses on receivable	170,028	(5,366,302)
Realized and unrealized gains on investments	(13,374,317)	(39,314,340)
Present value adjustments, grants payable	810,491	(497,201)
Permanent additions	(1,598,543)	(1,328,412)
Changes in assets and liabilities		
Pledges receivable	(104,485)	(37,545)
Other receivables	304,559	4,332,392
Other assets	(328,946)	(157,826)
Accounts payable and accrued expenses	(617,902)	516,372
Grants payable	(2,107,633)	5,082,536
Split interest agreements payable	(47,867)	(225,500)
Security deposits payable	--	15,949
Deferred revenue	695,198	97,284
Pension payable	--	1,407,982
Post retirement health benefits	(110,814)	(78,860)
Net cash provided (used) by operating activities	54,937,835	(10,561,668)
Cash flows from investing activities		
Purchase of building improvements and equipment	(36,174)	(63,475)
Payments received on loan receivable	106,378	246,270
Issuance of agency pension loan receivable	--	(10,190,391)
Payments received on agency pension loan receivable	211,805	89,238
Payments received on note receivable	--	966,500
Proceeds from sale of property	--	1,632,603
Purchase of investments	(195,668,235)	(132,860,820)
Sale of investments	129,830,238	147,577,733
Net cash (used) provided by investing activities	(65,555,988)	7,397,658

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Cash Flows
Years Ended June 30, 2018 and 2017

	2018	2017
Cash flows from financing activities		
Transactions with beneficiary agencies	$ (1,798,190)	$ (413,911)
Permanent additions	1,598,543	1,328,412
Due to other organizations	380,437	3,332,399
Proceeds from pension loan payable	--	17,500,000
Payments on pension loan payable	(434,786)	(178,327)
Payments on bonds payable	(550,000)	(749,200)
Payments under capital leases	(50,150)	(19,449)
Net cash (used) provided by financing activities	(854,146)	20,799,924
Net change in cash and cash equivalents	(11,472,299)	17,635,914
Cash and cash equivalents		
Beginning of year	44,858,119	27,222,205
End of year	$ 33,385,820	$ 44,858,119
Supplemental disclosure of cash flow information		
Interest paid	$ 684,432	$ 444,499
Taxes paid	$ 334,341	$ 109,540

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Functional Expenses
Year Ended June 30, 2018

	Program Services				Supporting Services				
	Allocations and Grants	Program Services	The Jewish Times	Total	Management and General	Building Services	Fundraising Expenses	Total	Total
Salaries	$ --	$ 4,352,702	$ --	$ 4,352,702	$ 1,805,075	$ 479,647	$ 1,724,095	$ 4,008,817	$ 8,361,519
Payroll taxes and fringe benefits	--	927,531	--	927,531	382,951	103,639	363,252	849,842	1,777,373
Grants to agencies	23,433,639	974,766	--	24,408,405	--	--	--	--	24,408,405
Allocations to affiliates	4,742,353	--	--	4,742,353	--	--	--	--	4,742,353
Purchased services	--	752,714	5,955	758,669	135,830	22,609	355,861	514,300	1,272,969
Office expense	--	330,370	--	330,370	132,226	6,021	248,909	387,156	717,526
Consultants	--	147,427	972	148,399	117,445	14,054	71,079	202,578	350,977
Dues, subscriptions and subsidies	4,963	11,206	--	16,169	3,362	--	442	3,804	19,973
Telephone	--	21,105	--	21,105	9,976	8,185	7,400	25,561	46,666
Occupancy, maintenance, housing	--	71,714	--	71,714	32,241	937,805	18,990	989,036	1,060,750
Program expenses	--	1,775,646	--	1,775,646	194,344	182	235,181	429,707	2,205,353
Publicity and promotion	--	588,551	--	588,551	59,375	--	54,553	113,928	702,479
Travel and related expenses	--	161,519	--	161,519	75,471	3,307	31,291	110,069	271,588
Insurance	--	57,637	--	57,637	14,920	65,004	11,282	91,206	148,843
Postage	--	21,091	--	21,091	12,533	--	15,643	28,176	49,267
Interest expense	--	444,211	49,329	493,540	71,236	21,223	98,433	190,892	684,432
Bad debt expense (recovery)	--	285,523	--	285,523	--	--	(377,282)	(377,282)	(91,759)
Unrelated business income tax		--	--	--	334,341		--	334,341	334,341
Depreciation and amortization	--	951,821	--	951,821	53,561	--	44,016	97,577	1,049,398
Real estate taxes	--	--	--	--	--	118,078	--	118,078	118,078
Miscellaneous	--	451,487	--	451,487	66,966	2,934	342,238	412,138	863,625
	$ 28,180,955	$ 12,327,021	$ 56,256	$ 40,564,232	$ 3,501,853	$ 1,782,688	$ 3,245,383	$ 8,529,924	$ 49,094,156

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

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidated Statements of Functional Expenses
Year Ended June 30, 2017

	Program Services				Supporting Services				
	Allocations and Grants	Program Services	The Jewish Times	Total	Management and General	Building Services	Fundraising Expenses	Total	Total
Salaries	$ --	$ 4,088,451	$ 493,347	$ 4,581,798	$ 1,652,586	$ 444,831	$ 2,037,524	$ 4,134,941	$ 8,716,739
Payroll taxes and fringe benefits	--	816,376	133,433	949,809	328,006	89,380	404,352	821,738	1,771,547
Termination of pension	--	3,771,114	1,335,642	5,106,756	1,309,437	470,739	1,608,383	3,388,559	8,495,315
Grants to agencies	38,623,447	629,735	--	39,253,182	--	--	--	--	39,253,182
Allocations to affiliates	4,761,044	--	--	4,761,044	--	--	--	--	4,761,044
Purchased services	--	570,692	--	570,692	82,678	22,440	299,020	404,138	974,830
Office expense	--	349,409	13,570	362,979	502,753	5,416	283,808	791,977	1,154,956
Consultants	--	88,752	15,686	104,438	56,339	--	38,849	95,188	199,626
Commissions and outside sales	--	--	7,935	7,935	--	--	--	--	7,935
Dues, subscriptions and subsidies	37,544	11,813	--	49,357	3,572	--	300	3,872	53,229
Telephone	--	19,835	795	20,630	10,833	5,747	7,517	24,097	44,727
Occupancy, maintenance, housing	--	41,088	--	41,088	22,106	625,409	48,124	695,639	736,727
Program expenses	--	1,480,281	--	1,480,281	98,444	6,920	106,221	211,585	1,691,866
Publicity and promotion	--	635,814	6,210	642,024	81,958	--	127,158	209,116	851,140
Travel and related expenses	--	258,194	4,556	262,750	54,957	1,855	45,629	102,441	365,191
Insurance	--	54,737	11,042	65,779	14,116	65,942	13,851	93,909	159,688
Postage	--	29,500	73,814	103,314	14,260	--	22,669	36,929	140,243
Interest expense	--	356,423	28,666	385,089	22,958	8,253	28,199	59,410	444,499
Magazine, editorial, and production	--	--	67,193	67,193	--	--	--	--	67,193
Bad debt expense	--	649,020	--	649,020	--	913,635	151,283	1,064,918	1,713,938
Unrelated business income tax	--	--	--	--	109,540	--	--	109,540	109,540
Depreciation and amortization	--	959,087	1,700	960,787	79,066	--	73,005	152,071	1,112,858
Real estate taxes	--	--	--	--	--	117,850	--	117,850	117,850
Miscellaneous	--	575,652	28,970	604,622	144,572	1,170	449,220	594,962	1,199,584
	$ 43,422,035	$ 15,385,973	$ 2,222,559	$ 61,030,567	$ 4,588,181	$ 2,779,587	$ 5,745,112	$ 13,112,880	$ 74,143,447

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

1. NATURE OF ACTIVITY

Jewish Federation of Greater MetroWest NJ is a New Jersey not-for-profit organization incorporated in 1924. Federation's 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 and 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 Federation through the grant making process. The Foundation is comprised of approximately 720 individual funds. In addition, the Foundation 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 Foundation are subject to significant withdrawal restrictions. 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. There are ten supporting foundations of the Foundation at June 30, 2018 and 2017, 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 restrictions.

The Jewish Times is a New Jersey not-for-profit corporation established in 1954, which has not filed for Federal tax exemption. The Jewish Times is a wholly owned subsidiary of Jewish Federation of Greater MetroWest NJ. The Jewish Times operated *The New Jersey Jewish News*, a northern New Jersey newspaper, whose aim is to provide an educational medium carrying news and information about Jewish events and activities all over the world. As of September 13, 2016, Federation elected to discontinue The Jewish Times' publishing operation and contracted these activities to a third party vendor in order to continue to service the Jewish population in the MetroWest area. As part of the discontinued operations, The Jewish Times has incurred subsequent expenses for severance and other related costs during the year ended June 30, 2017. As of June 30, 2018, The Jewish Times has no assets or liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation
The consolidated financial statements include the Jewish Federation of Greater MetroWest NJ, The Jewish Times, and Jewish Community Foundation of MetroWest New Jersey, Inc. all of which are affiliated by means of overlapping Boards of Trustees control and management. Collectively, the three organizations are hereafter referred to in this report as "Federation". All significant intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation
Financial reporting by not-for-profit organizations requires that resources be classified for accounting and reporting purposes into net asset categories according to externally (donor) imposed restrictions as follows:

- 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.

- 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. Expirations of restrictions on net assets with donor restrictions are reported as net assets released from restrictions. 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.

Revenue and Support Recognition

Federation recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as without donor restriction or with donor restrictions according to donor stipulations that limit the use of these assets due to time or purpose restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions. Bequests are accrued as an asset 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.

Federation accounts for those contract revenues which have been determined to be exchange transactions in the consolidated statements of activities and changes in net assets to the extent that expenses have been incurred for the purpose specified by the grantor during the period. Program revenues received in advance of their usage are classified as liabilities in the consolidated statements of financial position. In applying this concept, the legal and contractual requirements of each individual contract are used as guidance.

Other revenues without donor restrictions are obtained from rental income, program and service fees, advertising and subscription sales, and investment income, which are recorded when earned. These revenues are used to offset program expenses as well as the cost of property and equipment acquisition 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 all donated services and materials is not included in these consolidated financial statements as they do not meet the criteria for recognition.

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 long-term 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.

	2018	2017
Cash and cash equivalents	$ 11,099,965	$ 10,914,117
Restricted cash held in investment pool	22,285,855	33,944,002
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	$ 33,385,820	$ 44,858,119

Fair Value of Financial Instruments
The carrying amount of financial instruments including short term pledges receivable, accounts receivable, due from beneficiary agencies, other receivables, accounts payable and accrued expenses and grants payable approximate their fair values because of the relatively short maturity of these instruments.

The long term value of pledges receivable approximates fair value as they are presented using estimated future cash flows discounted by a market rate of interest. The fair value on notes receivable is estimated to be approximately $2,916,000 and $2,592,000 if the fair value option had been elected for the years ended June 30, 2018 and 2017, respectively. Due to affiliated organizations and due to other organizations approximate fair value as they are adjusted regularly to reflect the change in fair value of the associated investments. The carrying amounts of bonds payable approximate fair value as the interest rate on the bonds fluctuates monthly based on a market rate of interest. Split interest agreements payable approximate fair value as they are adjusted regularly to reflect the fair value of the associated investment less estimated future distributions. Grants payable approximate fair value as the long term grants payables were discounted using a market rate of interest at the time of the grant award.

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. The allowance for uncollected pledges receivable (Note 5) is based upon historical analysis of Federation's experience with collection of pledges. However, it is reasonably possible the actual uncollected pledges will change in the near term. The loans receivable (Note 9) include loans to affiliated agencies with variable repayment terms and are subject to the possibility that the loans may not be repaid. The present value of liabilities pursuant to split interest agreements (Note 14) is calculated using a discount rate, estimated life expectancies of beneficiaries and applicable mortality tables. Valuation allowances are recorded against life insurance policies. It is reasonably possible that when the actual distributions are made the amounts could differ from the obligations calculated.

Income Taxes
Federation and the Foundation 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 comparable 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 $334,341 and $109,540 for the years ended June 30, 2018 and 2017, 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.

For Federal income tax purposes, The Jewish Times is taxed as a corporate entity. As of June 30, 2018, The Jewish Times has federal net operating loss carry forwards ("NOL") of approximately $2,413,000 which have expired upon dissolution of the company in 2018. During 2017, there was no benefit for these NOL carry forwards recorded in the consolidated financial statements as there was no assurance that The Jewish Times will be able to utilize them. Accordingly, at 2017 there was a tax asset for federal income tax purposes of approximately $820,000 with an offsetting valuation allowance in the same amount.

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. Investments in limited partnerships are comprised substantially of real estate limited partnerships and hedge funds. These investments are stated at fair value as determined by the individual fund managers. Hedge fund fair value is based on contributions to the various funds and the allocated share of investment earnings including realized and unrealized gains and losses. The investment managers of these real estate limited partnerships and hedge funds may make adjustments to values so determined, if in their experience, such methodology does not accurately reflect the underlying value of the investment.

Fair value for real estate limited partnerships is determined using performance multiples or the market capitalization rate methodology applied to net income. Multiples are determined using market based conditions of quoted companies or are derived from recent mergers and acquisition transactions. Donated investments are recorded at the fair value at the date of receipt. Investments are shown as long term in the consolidated statements of financial position except for money market funds within the fixed pool which are shown as short term.

Investments are shown as long term in the consolidated statements of financial position, other than restricted cash held in investment pools, given the restrictions in place and the long term donative intent and other withdrawal restrictions found in the fund agreements.

Investment Income

Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) 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.

Notes and Loans Receivable

Federation carries its notes and loans receivable at amortized cost. Federation evaluated the notes and loans receivable and determined no loss allowance is required as of June 30, 2018 and 2017.

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. When donors stipulate how long the assets must be used, the contributions are recorded as revenue with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as revenue without donor restrictions. 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.

Depreciable years for each major asset category are as follows:

Description	**Estimated Life (Years)**
Buildings	40
Building improvements and renovations	15-30
Furniture and equipment	5-10
Computer equipment	5

Valuation of Long-Lived Assets

In accordance with the provisions of the accounting pronouncement on accounting for the impairment 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 were no impairments for the periods presented in these consolidated financial statements.

Grants and Allocations

Grants and allocations are recorded when approved by the Board of Trustees. From time to time Federation approves grants with certain conditions; however, the probability that the grantees will not meet these conditions is considered remote, and such grants are recorded as grants payable when approved.

Functional Allocation of Expenses

The costs of providing services have been summarized on a functional basis. Grants and allocations and other expenses directly related to program activity are directly charged to program services. Salaries are recorded based on the time spent by employees in each functional area. Fringe benefits and other administrative costs are allocated using the salaries as a basis for charging expenses to each support service or function. 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 MetroWest beneficiary agencies, 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 MetroWest 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.

Reclassification

Certain amounts in the prior year consolidated financial statements have been reclassified to conform with the presentation in the current year consolidated financial statements. The reclassifications had no effect on the changes in net assets.

3. NEW ACCOUNTING PRONOUCEMENT ADOPTED IN THE CURRENT YEAR

During 2018, the Foundation adopted ASU 2016-14 – Not-for-profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-profit Entities.* This guidance is intended to improve the net asset classification requirements and the information presented in the consolidated financial statements and notes about a not-for-profit entity's liquidity, financial performance and cash flows. The main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restrictions when the associated long-lived asset is placed in service; and recognition of underwater endowment funds as a reduction in net assets with donor restrictions. This guidance also enhances disclosures for board designated endowments, composition of net assets without donor restrictions, liquidity and presentation of expenses by both their natural and functional classification.

A recap of the net asset classifications driven by the adoption of ASU 2016-14 as of June 30, 2017 are as follows:

	2017			2016		
Net Asset Classifications	**Without Donor Restrictions**	**With Donor Restrictions**	**Total Net Assets**	**Without Donor Restrictions**	**With Donor Restrictions**	**Total Net Assets**
As previously presented:						
Unrestricted	$ 229,981,961	$ --	$ 229,981,961	$ 209,537,171	$ --	$ 209,537,171
Temporarily restricted	--	59,182,846	59,182,846	--	50,220,175	50,220,175
Permanently restricted	--	27,783,390	27,783,390	--	26,454,978	26,454,978
Net assets as previously presented	229,981,961	86,966,236	316,948,197	209,537,171	76,675,153	286,212,324
Reclassifications to implement ASU 2016-14						
Underwater endowment						
Adjustment - July 1, 2016	833,653	(833,653)	--	833,653	(833,653)	--
Adjustment - July 1, 2017 reclassification	(380,163)	380,163	--	--	--	--
Net assets reclassified	$ 230,435,451	$ 86,512,746	$ 316,948,197	$ 210,370,824	$ 75,841,500	$ 286,212,324

4. NEW ACCOUNTING PRONOUCEMENTS ISSUED NOT YET EFFECTIVE

In August 2017 the FASB issued Proposed Accounting Standards Update ("ASU"), *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* The FASB is issuing this ASU to improve and clarify existing guidance on revenue recognition of grants and contracts by not-for-profit organizations ("NFPs") because there is diversity in practice among NFPs with characterizing grants and similar contracts with government agencies and others as reciprocal transactions (exchanges) or nonreciprocal transactions (contributions) and distinguishing between conditional and unconditional contributions. This proposed ASU also provides guidance to help determine whether a contribution is conditional or unconditional, and better distinguish a donor-imposed condition from a donor-imposed restriction. The effective date upon issuance would be for fiscal years ending in 2019.

In May 2014, Financial Accounting Standards Board ("FASB") issued accounting standards update ("ASU") 2014-09, *Revenue from Contracts with Customers* (Topic 606), which provides a comprehensive new revenue recognition model that requires a company to recognize revenue in an amount that reflects the consideration it expects to receive for the transfer of promised goods or services to its customers. The standard also requires additional disclosure regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. This ASU, which was deferred by ASU 2015-14, is effective for annual periods and interim periods beginning after December 15, 2018. The ASU is to be applied retrospectively or using a cumulative effect transition method. Early adoption is permitted.

In February 2016, the FASB issued ASU 2016-02 *Leases* (Topic 842), which requires the recognition of a "right to use" asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet for all of the company's lease obligations. This ASU is effective for fiscal years beginning after December 15, 2019.

In June 2016, the FASB issued two standards that address the accounting for financial instruments. ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*, which is effective for fiscal years beginning after December 2018 which includes guidance for equity investments held by a not-for-profit organization and adds guidance on the comprehensibility of investments in debt securities. It also requires the measurement of certain equity investments such as venture capital funds, partnership interests in accordance with ASC 958-321. ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*, which is effective for fiscal years beginning after December 2020, 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. Financial institutions will now use forward-looking information to better inform their credit loss estimates.

Federation is currently evaluating the effect that these pronouncements will have on its consolidated financial statements and related disclosures.

5. PLEDGES RECEIVABLE

At June 30, pledges receivable consist of the following:

	2018	2017
Total receivables	$ 17,668,613	$ 17,190,460
Discount to present value	(5,948)	(5,948)
Allowance for uncollectible amounts	(3,215,384)	(3,045,356)
Pledges receivable, net	14,447,281	14,139,156
Current portion	14,403,229	13,936,004
Pledge receivable, long term	$ 44,052	$ 203,152

Pledges receivable, net are due as follows: 2019 - $14,403,229 and 2020 - $50,000

6. FINANCIAL ASSETS AND LIQUIDITY RESOURCES

As of June 30, 2018, financial assets and liquidity resources available within one year for general expenditures were as follows:

Financial assets	
Cash and cash equivalents	$ 11,099,965
Pledges receivable, net	14,403,229
Due from beneficiary agencies	321,207
Agency pension loan receivable	318,953
Loan receivable	205,298
Total financial assets and liquity resources available within one year:	26,348,652
JCF unrestricted fund assets included in long-term investments	1,361,047
	$ 27,709,699

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 statement of financial position date. In addition to the assets above, there is approximately $13 million in Federation unrestricted funds included in long term investments. In accordance with its spending policy, the fund distributes 5 percent 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.

7. 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 subject to this pronouncement, Federation will value such assets and liabilities using quoted market prices in active markets for identical assets and liabilities to the extent possible. To the extent that such market prices are not available, Federation will next attempt to value 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. In the event that quoted market prices in active markets and other observable measurement criteria are not available, Federation will develop measurement criteria based on the best information available.

Federation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements. Investments by affiliated and non-affiliated organizations in certain funds administered by Federation are subject to significant withdrawal restrictions.

The following table summarizes assets which have been accounted for at fair value on a recurring basis as of June 30, 2018, along with the basis for the determination of fair value:

	2018			
	Total	Quoted Prices in Active Markets (Level 1)	Observable Measurement Criteria (Level 2)	Unobservable Measurement Criteria (Level 3)
Money market funds	$ 22,285,855	$ 22,285,855	$ --	$ --
Equities				
Materials	1,361,374	1,361,374	--	--
Industrials	7,144,046	7,144,046	--	--
Telecommunications services	1,349,293	1,349,293	--	--
Consumer discretionary	12,487,660	12,487,660	--	--
Consumer staples	1,504,122	1,504,122	--	--
Energy	2,953,020	2,953,020	--	--
Financial	22,169,411	22,169,411	--	--
Healthcare	8,787,858	8,787,858	--	--
Information technology	16,493,903	16,493,903	--	--
Utilities	1,100,703	1,100,703	--	--
Mutual funds				
Domestic equity mutual funds	34,734,639	34,734,639	--	--
International equity mutal funds	18,025,002	18,025,002	--	--
Global fund	25,382,849	25,382,849	--	--
Bank loan funds (a)	15,751,918	--	15,751,918	--
International fixed income	9,686,075	9,686,075	--	--
US Treasury obligations	24,520,628	24,520,628	--	--
US government agencies	2,850,108	2,850,108	--	--
Corporate bonds				
AAA - A ratings	19,416,107	--	19,416,107	--
BBB - B ratings	18,237,682	--	18,237,682	--
CCC - C- ratings	17,819,700	--	17,819,700	--
State of Israel bonds (b)	3,874,198	--	3,874,198	--
Alternative investments				
Multi-strategy (c)	10,580,403	--	--	10,580,403
Private equity (d)	8,626,002	--	--	8,626,002
Real estate (e)	12,828,956	--	--	12,828,956
Natural resources (f)	5,056,691	--	--	5,056,691
Other (g)	1,673,217	--	--	1,673,217
	326,701,420	$ 212,836,546	$ 75,099,605	$ 38,765,269
Investments at NAV (1)	120,904,990			
	$ 447,606,410			

(1) In accordance with FASB ASC 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in 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.

The following table summarizes assets which have been accounted for at fair value on a recurring basis as of June 30, 2017, along with the basis for the determination of fair value:

	2017			
	Total	Quoted Prices in Active Markets (Level 1)	Observable Measurement Criteria (Level 2)	Unobservable Measurement Criteria (Level 3)
Cash & cash equivalents	$ 33,944,002	$ 33,944,002	$ --	$ --
Equities				
Materials	641,374	641,374	--	--
Industrials	6,804,208	6,804,208	--	--
Telecommunications services	1,622,180	1,622,180	--	--
Consumer discretionary	9,613,086	9,613,086	--	--
Consumer staples	1,668,666	1,668,666	--	--
Energy	2,928,294	2,928,294	--	--
Financial	15,353,618	15,353,618	--	--
Healthcare	6,649,505	6,649,505	--	--
Information technology	11,702,152	11,702,152	--	--
Utilities	1,002,578	1,002,578	--	--
Mutual funds				
Domestic equity mutual funds	35,404,923	35,404,923	--	--
International equity mutal funds	28,768,333	28,768,333	--	--
Global fund	2,073,079	2,073,079	--	--
Bank loan funds (a)	14,599,409	--	14,599,409	--
International fixed income	9,603,348	9,603,348	--	--
US Treasury obligations	30,294,993	30,294,993	--	--
US government agencies	2,403,427	2,403,427	--	--
Corporate bonds				
AAA - A ratings	10,291,106	--	10,291,106	--
BBB - B ratings	3,223,813	--	3,223,813	--
CCC - C- ratings	581,275	--	581,275	--
All other ratings or non-rated	3,871,852	--	3,871,852	--
State of Israel bonds (b)	183,860	183,860	--	--
Alternative investments				
Multi-strategy (c)	8,762,260	--	--	8,762,260
Private equity (d)	8,898,999	--	--	8,898,999
Real estate (e)	13,049,380	--	--	13,049,380
Natural resources (f)	3,814,307	--	--	3,814,307
Other (g)	2,268,217	--	--	2,268,217
	270,022,244	$ 200,661,626	$ 32,567,455	$ 36,793,163
Investments at NAV (1)	110,030,000			
	$ 380,052,244			

The following table lists the investments by class and investment strategy at June 30, 2018:

Strategies	# of Funds	Valuation	Unfunded Commitment	Redemption Commitment	Redemption Notice Period
Multi-asset strategy (h)	1	$ 38,623,870	--	N/A	Daily
Multi-strategy (c)	3	35,473,027	--	N/A	65 - 105 days
Private equity (d)	1	272,447	--	N/A	None
Natural resources (f)	1	2,497,228	300,000	N/A	None
Private equity - long (i)	2	30,073,749	--	N/A	None
Private equity - long (j)	1	5,224,823	--	N/A	None
Private equity - long (k)	1	8,739,846	--	N/A	None
		$ 120,904,990			

a) Bank loan funds seek to provide a high level of current income by investing in floating rate loans and debt securities, primarily senior loans, which are below investment grade quality.

b) State of Israel bonds are backed by a 60 year record of dependability and Israel has never defaulted on the payment of principal and interest. The bonds all have maturity dates through June 2020. 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. Of this category, 79 percent is redeemable semi-annually with a notice of 95 days, nine percent is redeemable annually with a notice of 90 days and twelve percent is redeemable quarterly with a notice of 60 - 65 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. It is estimated that the underlying assets will be redeemed over this time period and that Federation will make new investments in other private equity strategies. The majority of the capital calls are expected within two to four years and return of capital is anticipated in one to twelve years.

e) Real 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 eight 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 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.

g) Other assets are investments in limited partnerships holding real estate assets. There is currently no market for the underlying assets and sales are not expected in the near future.

h) Multi-asset strategy fund seeks to achieve a total return that over a majority of market cycles exceeds inflation plus 5 percent per annum. Underlying investments include global equities, domestic equities, fixed income, private equity and publicly traded limited partnerships. The investment is redeemable daily with a NAV calculated on a daily basis.

i) All cap fund with long strategy focused on international markets. The investment is redeemable monthly at a NAV calculated on a monthly basis.

j) Open ended fund with an objective to achieve long-term total return through investments in equity securities of emerging-market companies that are undervalued at time of purchase. The investment is redeemable monthly at a NAV calculated on a monthly basis.

k) International small cap fund focused on long term absolute returns. The investment is redeemable monthly with a NAV calculated on a monthly basis.

The following is a summary of activity for the years ended June 30, 2018 and 2017 for assets measured at fair value based on unobservable measurement criteria:

	Total Investments	Multi - Strategy	Private Equity	Real Estate	Natural Resources	Other
Balance, July 1, 2016	$ 36,249,967	$ 7,148,366	$ 11,264,956	$ 12,977,385	$ 2,584,747	$ 2,274,513
Realized and unrealized (losses) gains included in income	(252,917)	566,104	(766,947)	(44,554)	(4,224)	(3,296)
Purchases	5,253,313	1,252,934	180,000	2,586,595	1,233,784	--
Sales	(4,457,200)	(205,144)	(1,779,010)	(2,470,046)	--	(3,000)
Balance, July 1, 2017	36,793,163	8,762,260	8,898,999	13,049,380	3,814,307	2,268,217
Realized and unrealized gains included in income	2,983,442	495,738	1,010,504	1,428,893	48,307	--
Purchases	8,986,665	2,278,544	1,400,714	3,064,586	2,242,821	--
Sales	(9,998,001)	(956,139)	(2,684,215)	(4,713,903)	(1,048,744)	(595,000)
Balance, June 30, 2018	$ 38,765,269	$ 10,580,403	$ 8,626,002	$ 12,828,956	$ 5,056,691	$ 1,673,217

Investment income consisted of the following at June 30:

	2018	2017
Interest and dividend income	$ 12,922,492	$ 6,319,200
Realized gains	15,137,928	20,483,938
Unrealized (losses) gains	(1,763,611)	18,830,402
Interest - notes receivable	167,670	192,412
	26,464,479	45,825,952
Investment fees	(1,626,495)	(1,615,743)
	$ 24,837,984	44,210,209

8. NOTES RECEIVABLE

Federation evaluated the notes based on the past payment history and credit worthiness of the borrowers and determined no note loss allowance is required as of June 30, 2018 and 2017 as the receivable is considered fully collectible. The recorded investment is based on Federation's best estimate of the present value of future cash flows, discounted at the loan contractual interest rate of 5.75 percent to 7.15 percent. Interest is accrued monthly and paid semiannually. Notes receivable are recorded at amortized cost and are comprised of the following at June 30:

	2018	2017
Notes receivable bearing interest at 5.75 percent, maturing December 2018. No principal payments are due under the note until maturity. Note is secured by a partnership interest.	$ 2,916,000	$ 2,916,000

The notes were paid in full in November 2018.

Information on these notes are as follows:

	2018	**2017**
Recorded investment	$ 2,916,000	$ 2,916,000
Unpaid principal and accrued interest balance	$ 2,999,835	$ 2,999,835
Related allowance	$ --	$ --
Average recorded investment	$ 2,999,835	$ 2,999,835
Interest income recognized	$ 167,670	$ 167,670

9. LOANS RECEIVABLE

At June 30, loans receivable consists of the following:

	2018	**2017**
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 two percent, adjusted quarterly, rate at June 30, 2018 was 2.45 percent. There are monthly principal and interest payments of $4,500. The loan is secured by property.	$ 394,381	$ 437,217
Jewish Education Center, unsecured, non-interest bearing loan with payments tied to cash flows. Remaining balance was forgiven in 2018.	--	160,000
Jewish Family Services of MetroWest, maturing December 2036, interest at the US five-year Treasury rate plus two percent, adjusted quarterly, rate at June 30, 2018 was 2.45 percent. Principal and interest payments, which vary each month, approximated $6,535 per month. The loan is secured by property.	1,409,762	1,454,993
Jewish Community Centers of MetroWest, unsecured, non-interest bearing loan. Payments are to be made on the cash flows of underlying pledges received by the Jewish Community Centers of MetroWest.	240,000	235,000
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 percent discount rate, maturing 2040.	570,853	594,164
	2,614,996	2,881,374
Amounts due within one year	205,298	364,087
Long term portion	$ 2,409,698	$ 2,517,287

Maturities of loans receivable are as follows: 2019 - $205,298; 2020 - $116,024; 2021 - $266,808; 2022 - $124,653; 2023 - $129,060 and thereafter - $1,773,153.

10. PROPERTY AND EQUIPMENT

Operating Property and Equipment

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

	2018	2017
Land	$ 2,953,206	$ 2,953,206
Buildings and improvements	18,196,963	18,196,964
Furniture and equipment	2,711,235	2,693,243
Computer equipment	968,457	1,381,904
Transportation equipment	16,192	16,192
Library	119,322	119,322
Works of art	426,808	111,808
	25,392,183	25,472,639
Less: Accumulated depreciation	19,451,503	18,851,138
	$ 5,940,680	$ 6,621,501

Depreciation expense on these assets totaled $716,995 and $771,860 for the years ended June 30, 2018 and 2017, respectively.

Property and Equipment Held for Rental

The Foundation owns several rental properties which are rented to affiliated entities. Depreciation on these assets totaled $332,403 and $340,998 for the years ended June 30, 2018 and 2017, respectively. This property and equipment, shown net of accumulated depreciation for the years ended June 30, consists of the following:

	2018	2017
Land	$ 283,454	$ 283,454
Buildings and improvements	20,432,193	20,432,193
Furniture and equipment	1,002,472	1,002,472
	21,718,119	21,718,119
Less: Accumulated depreciation	20,574,403	20,242,000
	$ 1,143,716	$ 1,476,119

In 2017, the Foundation entered into an agreement with DB Holdings, LLC for the sale of the land and building occupied by Jewish Vocational Service of MetroWest ("JVS") at 111 Prospect St. in East Orange. The net proceeds from the sale totaled $1,632,603. The Foundation agreed to reimburse JVS up to $1,200,000 for moving expenses to two new offices located in East Orange and Livingston. At June 30, 2018, the Foundation has fully reimbursed JVS for the $1,200,000.

11. BONDS PAYABLE

Bonds payable at June 30 were as follows:

	2018	2017
New Jersey Economic Development Authority bond	$ 5,400,000	$ 5,400,000
Essex County Improvement Authority bond	9,615,000	10,165,000
	15,015,000	15,565,000
Amounts due within one year	5,950,000	550,000
	$ 9,065,000	$ 15,015,000

The future scheduled maturities of the bonds payable are as follows: 2019 - $5,950,000; 2020 - $550,000; 2021 - $550,000; 2022 - $550,000; 2023 - $550,000 and thereafter $6,865,000.

New Jersey Economic Development Authority Bond

On December 1, 1998 Federation entered into a loan agreement (the “loan”) with the New Jersey Economic Development Authority (“NJEDA”) in the amount of $5,400,000 to refinance an earlier bond issued in December 1990. The Series 1998 adjustable rate bonds are interest only payable monthly at a fluctuating rate tied to the BMI municipal rate which fluctuated between 0.87 percent and 1.88 percent for the year ended June 30, 2018, and 0.37 percent and 1.05 percent for the year ended June 30, 2017, with principal due December 2018. The bonds were paid in full in November 2018.

Interest on these obligations amounted to $123,373 and $98,723 for the years ended June 30, 2018 and 2017, respectively. The loan is secured by the Alex Aidekman Family Jewish Community Campus located in Whippany. The NJEDA has transferred and assigned to the bond Trustee all rights, title and interest in the loan to secure the 1998 bonds and provide a source of repayment. Interest and principal repayment of the loan corresponds to the same terms and conditions of the bonds. The loan requires maintenance of certain financial ratios and other covenants, which have been met as of June 30, 2018 and 2017.

Essex County Improvement Authority Bond

During 2014 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. However, the 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, 2018 and 2017 the interest rate was 1.61 and 0.90 percent, respectively, per annum. There is an annual principal payment in July every year.

Letter of Credit

In accordance with the NJEDA agreement the bonds are secured by an irrevocable letter of credit with a commercial bank in the amount of $5,497,000 which expired in December 2018 and was not renewed as the underlying debt was repaid. The letter of credit is secured by a first mortgage lien on the Alex Aidekman Family Jewish Community Campus located in Whippany. No amounts have been drawn down under this letter of credit for the years ended June 30, 2018 and 2017.

12. GRANTS PAYABLE

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

	2018	2017
Total grant commitments	$ 27,989,734	$ 30,097,367
Less discount to present value	2,005,956	2,816,447
	25,983,778	27,280,920
Amounts payable in subsequent fiscal year	8,199,784	5,803,367
Amounts payable in future fiscal years	$ 17,783,994	$ 21,477,553

Future payments are as follows: 2019 - $8,199,784; 2020 - $6,756,761; 2021 - $5,535,062; 2022 - $4,984,425; 2023 - $1,301,410 and thereafter - $1,212,292.

13. CAPITAL LEASES

Federation leases office equipment under long-term leases and has the option to purchase the equipment at the termination of the lease. Equipment leased under capital leases and included in property and equipment in the consolidated statements of activities and changes in net assets at June 30, is as follows:

	2018	2017
Equipment	$ 264,443	$ 264,443
Less: Accumulated depreciation	136,791	81,427
	$ 127,652	$ 183,016

Future minimum payments for capitalized leases were as follows at June 30, 2018:

Years	Amount
2019	$ 81,308
2020	78,863
2021	40,333
2022	17,893
2023	2,086
Total minimum lease payments	220,483
Less amount representing interest	40,892
Total present value amount	179,591
Less current portion	58,311
Non-current portion	$ 121,280

Maturities of capital leases: 2019 - $58,311, 2020 - $65,742 and 2021 - $36,406; 2022 - $17,604; 2023 and thereafter - $2,068.

14. SPLIT INTEREST AGREEMENTS

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 in the split interest agreements are recorded at fair value in Federation's consolidated statements of financial position. 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 a discount rate of 6 percent to 8 percent based on the nature of the agreements and applicable mortality tables. The present value of the future obligation for split interest agreements at June 30, 2018 and 2017 was $1,125,660 and $1,299,473, respectively.

Assets, included in long term investments, related to split interest agreements at June 30, 2018 and 2017 total $2,528,627 and $2,612,291, respectively. The valuation allowance recorded to reflect the present value of estimated future payment resulted in a change in value of split interest agreements of $125,946 and $(169,798) for the years ended June 30, 2018 and 2017, respectively which is included in the valuation allowance in the consolidated statements of activities and changes in net assets.

15. 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.

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

	2018	2017
Balance of funds advanced to beneficiary agencies to cover cash flow deficits which bear interest at lesser of 5 percent of the prime rate, which approximated 3.25 percent annually for each of the years ended:		
Daughters of Israel	$ --	$ 14,319
Jewish Vocational Service of MetroWest, Inc.	--	105,025
Jewish Community Housing Corp.	113,324	85,946
Jewish Service for the Developmentally Disabled	75,283	--
Jewish Historical Society	130,910	162,669
Jewish Family Services of Metrowest	--	--
Jewish Family Services of Central NJ	1,690	4,618
Jewish Community Center of MetroWest, Inc. - net of reserve of $4,254,133 and $4,132,224 at June 30, 2018 and 2017, respectively	224,007	480,810
	545,214	853,387
Current portion	321,207	372,577
	$ 224,007	$ 480,810

At June 30, certain amounts were due to affiliates as follows:

	2018	2017
Funds advanced from beneficiary agencies at June 30:		
Jewish Service for the Developmentally Disabled	$ 6,917	$ 3,874
Jewish Family Services of MetroWest, Inc.	7,455	6,082
Daughters of Israel	33,388	--
Jewish Family Services of Central, NJ	11,458	--
	$ 59,218	$ 9,956

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

	2018	2017
Jewish Vocational Service of MetroWest, Inc.	$ 1,423,427	$ 1,910,482
Jewish Family Services of MetroWest, Inc.	5,578,737	5,520,544
Daughters of Israel	13,042,573	12,648,494
Jewish Community Center of MetroWest, Inc.	3,347,384	3,489,283
Jewish Community Housing Corp.	67,272	271,177
Jewish Service for the Developmentally Disabled	118,382	636,165
Jewish Historical Society	552,694	540,924
Coordinated Care of MetroWest, Inc.	--	1,147,116
	$ 24,130,469	$ 26,164,185

In addition to the leasing transactions disclosed in Note 19, related party revenue and expense transactions were as follows:

Affiliated agencies were charged $14,496 and $14,300 for the years ended June 30, 2018 and 2017, respectively, by Federation for occupancy costs which represented a pro-rata share of maintenance and related expenses attributable to the operation of the Campus in Whippany, New Jersey. In addition, affiliated agencies paid Federation $46,954 and $45,600 for the years ended June 30, 2018 and 2017, respectively, in fees for bookkeeping and accounting services. Affiliated agencies paid Federation $2,368,604 in rent for buildings owned by Federation for each of the years ended June 30, 2018 and 2017.

	2018	2017
Allocations and grants made by Federation to affiliates:		
Daughters of Israel Geriatric Center	$ 2,742,400	$ 2,755,000
Jewish Community Center of MetroWest, Inc.	771,149	738,912
Jewish Family Services of MetroWest, Inc.	460,000	475,000
Jewish Education Center	154,704	156,682
JCC of Central New Jersey	120,000	124,993
YM-YWHA of Union County	152,000	160,457
Jewish Family Services of Central New Jersey	242,100	250,000
Jewish Vocational Service of MetroWest, Inc.	100,000	100,000
	$ 4,742,353	$ 4,761,044

	2018	2017
Interest income earned by Federation on funds advanced to beneficiary agencies:		
Jewish Family Services of MetroWest, Inc.	$ 33,192	$ 30,965
Jewish Vocational Service of MetroWest, Inc.	4,130	606
Jewish Family Services of Central New Jersey, Inc.	9,664	9,587
	$ 46,986	$ 41,158

Federation received contributions from its board members totaling $2,718,000 and $6,505,000 for the years ended June 30, 2018 and 2017, respectively.

16. 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 is to be paid out of the first 25 percent of operating surplus which is defined as the cash flow of Lester Senior Housing Complex after payment of all usual and customary operating expenses, debt service, management fees, annual reserves of $120,000 and capital expenditures, which was paid as of June 30, 2011. In addition, JCHC agreed to make annual contingent rent payments equal to an additional 50 percent of the cash flow of Lester Senior Housing Complex as defined. At June 30, 2018 and 2017 JCHC had prepaid the ground lease in the amounts of $1,325,657 and $1,333,879, respectively. These amounts are included in deferred revenue and are being charged off to rent income at the rate of $8,222 per annum. For each of the years ending June 30, 2018 and 2017, there were no contingent rents were paid or accrued, accrued amounts are offset against deferred revenue.

Other amounts for programs fees of $986,108 and $282,688 are included in deferred revenue at June 30, 2018 and 2017, respectively.

17. BENEFIT PLANS

Pension Plan

Federation administered a multiple-employer defined retirement plan (the "Plan"), which covered substantially all employees of Federation. Benefits payable under the Plan were based on years of service and earning levels. Employees become fully vested after 7 years of service. Employees are eligible for coverage provided they work at least 1,000 hours per year and have attained 21 years of age. The Plan is non-contributory and vesting commences on December 1 following three years of employment as follows: 20 percent in year one, 20 percent each additional year, up to 100 percent. Normal retirement age is 65 with at least 5 years of service. The Plan was frozen as of July 1, 2009 to new participants and for the accumulation of benefits for existing participants.

Termination of the Pension Plans

Federation and participating agencies voted to take the steps necessary to terminate the Plan and the Jewish Federation of Central New Jersey Defined Benefit Pension Plan. During December 2016, annuities totaling $28 million were purchased form Pacific Life, a highly rated insurance company. A loan agreement of $17.5 million ("loan") with OceanFirst Bank was closed in December 2016 by Federation to fully fund the plan. As a result of the termination of the Plan, Federation incurred a settlement loss of approximately $8,495,000. Each participating agency was charged their share of settlement costs. Lump sum payments to plan participants were made on December 16, 2016. During the year ended June 30, 2017 termination documents were filed with the Pension Benefit Guaranty Corporation ("PBGC"). Responses to documentation requests were provided to the PBGC in October 2017, however the formal termination has not been finalized by the PBGC as of the date of this report.

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 percent. 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 Foundation. Federation is required to maintain a ratio of total liabilities to effective tangible net worth of not more that .50 to 1.00. Federation must maintain one or more depository accounts at the Bank with an aggregate balance of not less than $250,000. The pension loan payable balance is $16,886,887 and $17,321,673 at June 30, 2018 and 2017, respectively.

The future scheduled maturities of the pension loan payable payments are as follows: 2019 - $451,609; 2020 - $467,386; 2021 - $487,165; 2022 - $506,013; 2023 - $525,591 and thereafter - $14,449,123.

On December 15, 2016 Federation provided the following unsecured loans to affiliated agencies to fund the termination of the pension plans. Commencing on the date of the note until the tenth anniversary (the "first change date") the interest rate will be 3.75 percent. 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 percent 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 percent 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. At June 30, the agency pension loan receivables are as follows:

	2018	2017
Jewish Vocational Service of MetroWest, Inc., original loan of $3,807,616. There are monthly principal and interest payments of $19,689.	$ 3,730,177	$ 3,768,804
Jewish Service for the Developmentally Disabled, original loan of $441,263. There are monthly principal and interest payments of $2,282.	425,798	435,848
Jewish Family Services of MetroWest, Inc., original loan of $2,078,163. There are monthly principal and interest payments of $10,746.	2,005,352	2,052,668
Jewish Family Services of Central New Jersey, original loan of $550,659. There are monthly principal and interest payments of $2,847.	531,373	545,050
Jewish Community Center of MetroWest, Inc., original loan of $3,312,700. There are monthly principal and interest payments of $17,129.	3,196,648	3,298,783
	9,889,348	10,101,153
Amounts due within one year	318,953	267,783
Long term portion	$ 9,570,395	$ 9,833,370

Maturities of agency pension loan receivables are as follows: 2019 - $318,953; 2020 - $272,163; 2021 - $283,680; 2022 - $294,656; 2023 - $306,056 and thereafter - $8,413,840.

Pension Plan - Central

Effective July 1, 2012, Federation is the sponsor of a multiple employer, noncontributory defined benefit pension plan covering substantially all employees of the former Federation of Central New Jersey and the Jewish Family Services of Central New Jersey. Federation's portion of the expenses under this defined benefit pension plan was $-0- and $269,434 for the years ended June 30, 2018 and 2017, respectively. The defined benefit plan was frozen as of September 1, 2009. As noted above, during the year ended June 30, 2016, Federation elected to terminate the plan, which caused the acceleration of the long term pension obligation liability.

Post Retirement Medical Plan

Federation also administers a 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 $76,037 and $77,493 for the years ended June 30, 2018 and 2017, respectively.

Other Changes in Post Retirement Benefits

For the years ended June 30, 2018 and 2017, Federation recorded an increase in net assets without donor restrictions of $69,057 and $46,628, respectively, due to post retirement benefits amounts not yet reflected in net periodic post retirement benefits cost.

Information on the pension and post retirement medical plans as of June 30,:

	Pension Plan		Post Retirement Medical Plan		Pension Plan - Central	
	2018	2017	2018	2017	2018	2017
Change in benefit obligation						
Benefit obligation, beginning of year	$ --	$ 16,043,134	$ 859,978	$ 938,838	$ --	$ 841,797
Service cost	--	--	--	--	--	--
Interest cost	--	299,133	27,883	27,863	--	13,159
Actuarial loss (gain)	--	934,939	(62,660)	(29,230)	--	(4,632)
Plan participant contributions	--	--	37,261	38,282	--	--
Administrative expenses	--	--	--	--	--	--
Benefits paid	--	(17,277,206)	(113,298)	(115,775)	--	(850,324)
Benefit obligation, end of year	$ --	$ --	$ 749,164	$ 859,978	$ --	$ --

Assumptions - net periodic benefit cost

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

	Pension Plan		Post Retirement Medical Plan		Pension Plan - Central	
	2018	2017	2018	2017	2018	2017
Discount rate	N/A	N/A	3.40%	3.10%	0.00%	0.00%
Rate of compensation increase	N/A	N/A	N/A	N/A	N/A	N/A
Expected return on plan assets	0.00%	0.00%	N/A	N/A	0.00%	0.00%

Amounts included in the consolidated financial statements at June 30

	Pension Plan		Post Retirement Medical Plan		Pension Plan - Central	
	2018	2017	2018	2017	2018	2017
Current liability	$ --	$ --	$ 72,500	$ 76,700	$ --	$ --
Non-current liability	--	--	676,664	783,278	--	--
	$ --	$ --	$ 749,164	$ 859,978	$ --	$ --

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:

Year Ending June 30,	Post Retirement Medical Plan
2019	$ 69,500
2020	67,500
2021	65,400
2022	63,700
2022	61,600
2024-2028	267,500

Relating to the post-retirement medical plan:

	2018	2017
Assumed Pre-65 medical trend		
Health care cost rate assumed for next fiscal year	5.60%	6.00%
Rate to which the cost trend rate is assumed to decline	3.90%	3.90%
Fiscal year rate reaches ultimate trend rate	2087	2087
Assumed prescription drug trend rates		
Health care cost rate assumed for next fiscal year	5.60%	5.60%
Rate to which the cost trend rate is assumed to decline	3.90%	3.90%
Fiscal year rate reaches ultimate trend rate	2087	2087

	1 Percentage Point	
	Increase	Decrease
Effect on total of service and interest cost components	$ 2,386	$ (2,112)
Effect on acccumulated postretirement benefit obligation	$ 61,203	$ (54,168)

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.

18. DUE TO OTHER ORGANIZATIONS

Amounts due to other organizations totaling $27,137,760 and $26,757,323 at June 30, 2018 and 2017, respectively, represent funds provided to Federation by unrelated, non-beneficiary agencies to be invested. The 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 non-current in the consolidated statements of financial position.

19. LEASES

Federation leases commercial property to the Daughters of Israel Geriatric Center, a beneficiary agency under an operating lease which expires in June 2020. Rental income was $2,368,604 for each of the years ended June 30, 2018 and 2017, under this lease. Future minimum rentals under this lease through June 30, 2020 are as follows: 2019 - $2,368,604 and 2020 - $2,368,604.

Federation leases commercial property under a three year lease which expires June 30, 2020 with an additional three year extension. Rental income for the years ended June 30, 2018 and 2017 was $429,000 and $509,700, respectively. Future rental income under this lease is as follows: 2019 – $241,500 and 2020 - $253,575. On October 23, 2017, 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 $10,000 to date. Federation has entered into lease negotiations with Swimquest LLC and Amoney Sportz, LLC.

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.

20. NET ASSETS

Components of net assets at June 30 were as follows:

	June 30, 2018		
Detail of Net Assets	**Without Donor Restrictions**	**With Donor Restrictions**	**Total**
Operating	$ 289,593,143	$ --	$ 289,593,143
Board designated for special projects or to maintain affiliated agency programs in the event that an unanticipated reduction in available funds occurs	8,792,231	--	8,792,231
Restricted by donors for various philanthropic uses including scholarships, youth programs and the support of Federation and affiliated agencies	--	47,567,073	47,567,073
Pledges receivable	--	3,712,843	3,712,843
Restricted by donors in accordance with charitable remainder unitrust and annuity agreements and charitable gift annuity agreements	--	3,565,220	3,565,220
Endowment	--	34,405,500	34,405,500
	$ 298,385,374	$ 89,250,636	$ 387,636,010

Detail of Net Assets	Without Donor Restrictions	With Donor Restrictions	Total
Operating	$ 223,888,274	$ --	$ 223,888,274
Board designated for special projects or to maintain affiliated agency programs in the event that an unanticipated reduction in available funds occurs	8,959,859	--	8,959,859
Net deficit - The Jewish Times	(2,412,682)	--	(2,412,682)
Restricted by donors for various philanthropic uses including scholarships, youth programs and the support of Federation and affiliated agencies	--	50,317,349	50,317,349
Pledges receivable	--	1,459,279	1,459,279
Restricted by donors in accordance with charitable remainder unitrust and annuity agreements and charitable gift annuity agreements	--	2,551,740	2,551,740
Endowment	--	32,184,378	32,184,378
	$ 230,435,451	$ 86,512,746	$ 316,948,197

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

Purpose restriction		
Restricted by donors for various philanthropic uses including scholarships, youth programs and the support of Federation and affiliated agencies	$ 7,739,857	$ 6,568,226
Time restriction		
Pledges receivable	538,110	547,732
Restricted by donors in accordance with charitable remainder unitrust and annuity agreements and charitable gift annuity agreements	235,524	242,217
	$ 8,513,491	$ 7,358,175

Endowment Funds

Federation's endowment consists of approximately 32 individual donor-restricted endowment funds established for a variety of purposes.

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 fund, absent explicit donor stipulations. UPMIFA permanent endowments no longer need to be maintained at historic dollar value amounts and instead 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 pledges 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 permanently restricted net assets (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets 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 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 percent 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.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Federation has a policy of appropriating for distribution each year 4 percent 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 4 percent 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.

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 asset with donor restriction and amounted to $460,516 and $453,490 based on donor restricted endowed funds of $1,803,795 valued at $1,343,279 as of June 30, 2018 and 2017, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred during the current year. It is the Federation's policy to permit spending from underwater funds as is determined prudent by management.

The following table provides information regarding the change in endowment net assets for the year ended 2018:

	With Donor Restrictions		
	Consolidated	JFED	Foundation
Endowment net assets, July 1, 2016	$ 28,260,419	$ 24,071,076	$ 4,189,343
Income	257,689	244,259	13,430
Realized and unrealized gains	3,949,768	3,449,975	499,793
	32,467,876	27,765,310	4,702,566
Contributions received	1,328,412	1,323,312	5,100
Appropriated for expenditure	(1,611,910)	(1,330,318)	(281,592)
Endowment net assets, July 1, 2017	32,184,378	27,758,304	4,426,074
Income	413,502	322,675	90,827
Realized and unrealized gains	2,231,507	1,954,656	276,851
	34,829,387	30,035,635	4,793,752
Contributions received	1,598,543	1,567,868	30,675
Appropriated for expenditure	(2,022,430)	(1,794,250)	(228,180)
Endowment net assets, June 30, 2018	$ 34,405,500	$ 29,809,253	$ 4,596,247

Donor restricted "true" endowment			
Historical gift value	$ 29,381,933	$ 24,977,643	$ 4,404,290
Appreciation	5,023,567	4,831,610	191,957
Endowment net assets, June 30, 2018	$ 34,405,500	$ 29,809,253	$ 4,596,247

21. CONCENTRATIONS AND CREDIT RISK

A substantial portion of revenues are obtained from contributions and bequests, investment earnings and advertising sales.

Federation's financial instruments that are exposed to concentrations of credit risk consist primarily of its cash and cash equivalents, investments, pledges receivable, notes and loans receivable and amounts due from other organizations. Federation's financial instruments are placed with a wide array of institutions that have high credit ratings. Federation maintains cash balances in financial institutions which may exceed federally insured limits. Historically, Federation has not experienced any credit related losses and deposits are held in high quality institutions to lessen the amount of the uninsured exposure. Cash equivalents and investments are in high-quality securities. Although subject to market fluctuations, this investment policy somewhat limits Federation's exposure to concentrations of credit risk. Federation has a long-standing history of collecting its pledges and contributions receivable which are from various individuals, corporations and foundations. An allowance for uncollectible accounts is recorded in the consolidated financial statements for amounts considered noncollectible. 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.

22. COMMITMENTS

Guarantees

Federation has guaranteed debt and performance provisions of Daughters of Israel, Inc. ("DOI"). There are no collateral or indemnification agreements between Federation and DOI in the event Federation has to perform under the guarantee. Performance would be required in the event of default of the loan agreement.

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 $8,265,000 and $8,550,000 as of June 30, 2018 and June 30, 2017, respectively. The line of credit is secured by facilities at Daughters of Israel, Inc.

As a result of the guarantee provided to DOI, Federation has recorded the value of the guarantee as a liability totaling $254,000 and $291,000 in the consolidated statements of financial position for the years ended June 30, 2018 and 2017, respectively. The line of credit was renewed on November 13, 2018 with a maturity in December 2021.

23. SUBSEQUENT EVENTS

Federation has evaluated subsequent events occurring after the consolidated statement of financial position date through the date of December 28, 2018, which is the date the consolidated financial statements were available for release. Based upon this evaluation, Federation has determined that no subsequent events have occurred, which require disclosure in or adjustment to the consolidated financial statements other than as noted below.

The EDA bonds payable of $5,400,000 were paid to the bond trustee in November 2018. The notes receivable of $2,916,000 were fully paid in November 2018.

SUPPLEMENTARY INFORMATION

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statements of Financial Position
June 30, 2018

	Jewish Federation of Greater MetroWest NJ, Inc.	Jewish Community Foundation of Greater MetroWest, NJ	Subtotal	Eliminations	Total
Assets					
Current assets					
Cash and cash equivalents	$ 5,591,265	$ 5,508,700	$ 11,099,965	$ --	$ 11,099,965
Restricted cash held in investment pool	816,058	21,469,797	22,285,855		22,285,855
Pledges receivable, net	14,341,885	61,344	14,403,229	--	14,403,229
Due from beneficary agencies, net of allowance for doubtful accounts of $4,254,133	379,769	--	379,769	(58,562)	321,207
Loan receivables	111,798	93,500	205,298	--	205,298
Agency pension loan receivables	318,953	--	318,953	--	318,953
Other receivables	4,747,519	--	4,747,519	(3,509,245)	1,238,274
Note receivable	--	2,916,000	2,916,000	--	2,916,000
Investment in subsidiary	--	--	--	--	--
Other current assets	592,765	628,165	1,220,930	--	1,220,930
Total current assets	26,900,012	30,677,506	57,577,518	(3,567,807)	54,009,711
Net property and equipment	572,394	5,368,286	5,940,680	--	5,940,680
Long-term investments	60,770,051	425,320,556	486,090,607	(60,770,051)	425,320,556
Due from beneficiary agencies, net of current portion	224,007	--	224,007	--	224,007
Loans receivable, net of current portion	2,263,198	146,500	2,409,698	--	2,409,698
Agency pension loan receivables, net of current portion	9,570,395	--	9,570,395	--	9,570,395
Pledges receivable, net of current portion	10,000	34,052	44,052	--	44,052
Note receivable, net of current portion	--	--	--	--	--
Cash surrender value of life insurance, net	--	6,834,675	6,834,675	--	6,834,675
Property and equipment held for rental, net	--	1,143,716	1,143,716	--	1,143,716
	72,837,651	433,479,499	506,317,150	(60,770,051)	445,547,099
Total assets	$ 100,310,057	$ 469,525,291	$ 569,835,348	$ (64,337,858)	$ 505,497,490

See Independent Auditors’ Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statements of Financial Position
June 30, 2018

	Jewish Federation of Greater MetroWest NJ, Inc.	Jewish Community Foundation of Greater MetroWest, NJ	Subtotal	Eliminations	Total
Liabilities and Net Assets					
Current liabilities					
Accounts payable and accrued expenses	$ 3,652,692	$ 468,648	$ 4,121,340	$ --	$ 4,121,340
Bonds payable	550,000	5,400,000	5,950,000	--	5,950,000
Grants payable	--	9,544,146	9,544,146	(1,344,362)	8,199,784
Split interest agreements payable	--	227,748	227,748	--	227,748
Post retirement health benefits payable	72,500	--	72,500	--	72,500
Pension loan payable	451,609	--	451,609	--	451,609
Due to beneficiary agencies	59,218	58,562	117,780	(58,562)	59,218
Deferred revenue	986,108	8,222	994,330	--	994,330
Capital lease payable	58,311	--	58,311	--	58,311
Total current liabilities	5,830,438	15,707,326	21,537,764	(1,402,924)	20,134,840
Long-term liabilities					
Bonds payable, net of current portion	9,065,000	--	9,065,000	--	9,065,000
Deferred revenue, net of current portion	--	1,317,435	1,317,435	--	1,317,435
Due to beneficiary agencies, net of current portion	--	84,900,520	84,900,520	(60,770,051)	24,130,469
Due to other organizations	--	27,137,760	27,137,760	--	27,137,760
Post retirement health benefits, net of current portion	676,664	--	676,664	--	676,664
Split interest agreements payable, net of current portion	--	897,912	897,912	--	897,912
Security deposits	160,848	--	160,848	--	160,848
Capital lease payable net of current portion	121,280	--	121,280	--	121,280
Pension loan payable	16,435,278	--	16,435,278	--	16,435,278
Grants payable, net of current portion and discount	--	19,948,877	19,948,877	(2,164,883)	17,783,994
Total long-term liabilities	26,459,070	134,202,504	160,661,574	(62,934,934)	97,726,640
Total liabilities	32,289,508	149,909,830	182,199,338	(64,337,858)	117,861,480
Net assets					
Without donor restrictions	26,669,617	271,715,757	298,385,374	--	298,385,374
With donor restrictions	41,350,932	47,899,704	89,250,636	--	89,250,636
Total net assets	68,020,549	319,615,461	387,636,010	--	387,636,010
Total liabilities and net assets	$ 100,310,057	$ 469,525,291	$ 569,835,348	$ (64,337,858)	$ 505,497,490

See Independent Auditors' Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statements of Financial Position
June 30, 2017

	Jewish Federation of Greater MetroWest NJ, Inc.	Jewish Community Foundation of Greater MetroWest, NJ	The Jewish Times	Subtotal	Eliminations	Total
Assets						
Current assets						
Cash and cash equivalents	$ 4,687,193	$ 6,037,909	$ 189,015	$ 10,914,117	$ --	$ 10,914,117
Restricted cash held in investment pool	568,715	33,375,287	--	33,944,002	--	33,944,002
Pledges receivable, net	13,835,183	100,821	--	13,936,004	--	13,936,004
Due from beneficary agencies, net of allowance for doubtful accounts of $4,132,224	2,087,546	--	--	2,087,546	(1,714,969)	372,577
Loan receivables	269,087	95,000	--	364,087	--	364,087
Agency pension loan receivables	300,726	--		300,726	(32,943)	267,783
Other receivables	1,719,127	87,706	--	1,806,833	(264,000)	1,542,833
Note receivable	--	--	--	--	--	--
Investment in subsidiary	608,763	--	--	608,763	(608,763)	--
Other current assets	352,967	333,379	205,638	891,984	--	891,984
Total current assets	24,429,307	40,030,102	394,653	64,854,062	(2,620,675)	62,233,387
Net property and equipment	686,506	5,934,995	--	6,621,501	--	6,621,501
Long-term investments	57,967,014	345,920,137	--	403,887,151	(57,778,909)	346,108,242
Due from beneficiary agencies, net of current portion	480,810	--	--	480,810	--	480,810
Loans receivable, net of current portion	2,377,287	140,000	--	2,517,287	--	2,517,287
Pledges receivable, net of current portion	11,112,781	--		11,112,781	(1,279,411)	9,833,370
Note receivable, net of current portion	122,100	81,052	--	203,152	--	203,152
Cash surrender value of life insurance, net	--	2,916,000	--	2,916,000	--	2,916,000
Property and equipment held for rental, net	--	6,563,235	--	6,563,235	--	6,563,235
Property held for sale	--	1,476,119	--	1,476,119	--	1,476,119
	72,059,992	357,096,543	--	429,156,535	(59,058,320)	370,098,215
Total assets	$ 97,175,805	$ 403,061,640	$ 394,653	$ 500,632,098	$ (61,678,995)	$ 438,953,103

See Independent Auditors' Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statements of Financial Position
June 30, 2017

	Jewish Federation of Greater MetroWest NJ, Inc.	Jewish Community Foundation of Greater MetroWest, NJ	The Jewish Times	Subtotal	Eliminations	Total
Liabilities and Net Assets						
Current liabilities						
Accounts payable and accrued expenses	$ 4,233,840	$ 507,018	$ 1,380	$ 4,742,238	$ (2,996)	$ 4,739,242
Bonds payable	550,000	--	--	550,000	--	550,000
Grants payable	--	6,067,367	--	6,067,367	(264,000)	5,803,367
Split interest agreements payable	--	244,358	--	244,358	--	244,358
Post retirement health benefits	76,700	--	--	76,700	--	76,700
Pension payable	434,787	--	32,943	467,730	(32,943)	434,787
Due to beneficiary agencies	9,956	218,372	--	228,328	(218,372)	9,956
Deferred revenue	282,688	8,222	--	290,910	--	290,910
Capital lease payable	81,308	--	--	81,308	--	81,308
Total current liabilities	5,669,279	7,045,337	34,323	12,748,939	(518,311)	12,230,628
Long-term liabilities						
Bonds payable, net of current portion	9,615,000	5,400,000	--	15,015,000	--	15,015,000
Deferred revenue, net of current portion	--	1,325,657	--	1,325,657	--	1,325,657
Due to beneficiary agencies, net of current portion	--	83,943,094	1,493,601	85,436,695	(59,272,510)	26,164,185
Due to other organizations	--	26,757,323	--	26,757,323	--	26,757,323
Post retirement health benefits, net of current portion	783,278	--	--	783,278	--	783,278
Split interest agreements payable, net of current portion	--	1,055,115	--	1,055,115	--	1,055,115
Security deposits	160,848	--	--	160,848	--	160,848
Capital lease payable, net of current portion	148,433	--	--	148,433	--	148,433
Pension loan payable	16,886,886		1,279,411	18,166,297	(1,279,411)	16,886,886
Grants payable, net of current portion and discount	--	21,477,553	--	21,477,553	--	21,477,553
Total long-term liabilities	27,594,445	139,958,742	2,773,012	170,326,199	(60,551,921)	109,774,278
Total liabilities	33,263,724	147,004,079	2,807,335	183,075,138	(61,070,232)	122,004,906
Net assets						
Without donor restrictions	24,911,300	208,545,596	(2,412,682)	231,044,214	(608,763)	230,435,451
With donor restrictions	39,000,781	47,511,965	--	86,512,746	--	86,512,746
Total net assets	63,912,081	256,057,561	(2,412,682)	317,556,960	(608,763)	316,948,197
Total liabilities and net assets	$ 97,175,805	$ 403,061,640	$ 394,653	$ 500,632,098	$ (61,678,995)	$ 438,953,103

See Independent Auditors' Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statements of Activities and Changes in Net Assets
Year Ended June 30, 2018

	Jewish Federation of			Jewish Community Foundation of Greater MetroWest, NJ			The Jewish Times		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Unrestricted	Eliminations	Total
Support and revenues									
Contributions	$ 25,157,395	$ 3,495,473	$ 28,652,868	$ 77,000,810	$ 1,655,692	$ 78,656,502	$ 212,970	$ (10,807,153)	$ 96,715,187
Less donor designations	(3,170,347)	--	(3,170,347)	--	--	--	--	--	(3,170,347)
Net contributions	21,987,048	3,495,473	25,482,521	77,000,810	1,655,692	78,656,502	212,970	(10,807,153)	93,544,840
Valuation allowance	--	--	--	250,474	--	250,474	--	--	250,474
Bequests	--	--	--	11,926	--	11,926	--	--	11,926
Rental income	3,616,403	--	3,616,403	2,376,826	--	2,376,826	--	(3,162,800)	2,830,429
Grants and contract revenue	196,046	--	196,046	--	--	--	--	--	196,046
Program and service fees	1,681,313	--	1,681,313	--	--	--	--	--	1,681,313
Investment income	1,798,118	2,773,985	4,572,103	20,965,724	3,326,231	24,291,955	--	(4,026,074)	24,837,984
Administrative fee revenue	--	--	--	798,139	--	798,139	--	(426,531)	371,608
Allocation of investment gain for funds held for others	--	--	--	(8,715,456)	--	(8,715,456)	--	4,452,605	(4,262,851)
Miscellaneous income	376,726	--	376,726	--	--	--	4,482	(61,008)	320,200
	29,655,654	6,269,458	35,925,112	92,688,443	4,981,923	97,670,366	217,452	(14,030,961)	119,781,969
Net assets released due to satisfaction of time or purpose restrictions	3,919,307	(3,919,307)	--	4,594,184	(4,594,184)	--	--	--	--
	33,574,961	2,350,151	35,925,112	97,282,627	387,739	97,670,366	217,452	(14,030,961)	119,781,969
Expenses									
Program services	22,049,487	--	22,049,487	31,688,712	--	31,688,712	56,256	(13,230,223)	40,564,232
Supporting services	6,906,908	--	6,906,908	2,423,754	--	2,423,754	--	(800,738)	8,529,924
	28,956,395	--	28,956,395	34,112,466	--	34,112,466	56,256	(14,030,961)	49,094,156
Changes in net assets before adjustments	4,618,566	2,350,151	6,968,717	63,170,161	387,739	63,557,900	161,196	--	70,687,813
Transfer of net assets	(2,860,249)	--	(2,860,249)	--	--	--	2,251,486	608,763	--
	1,758,317	2,350,151	4,108,468	63,170,161	387,739	63,557,900	2,412,682	608,763	70,687,813
Net assets - beginning of year	24,911,300	39,000,781	63,912,081	208,545,596	47,511,965	256,057,561	(2,412,682)	(608,763)	316,948,197
Net assets - end of year	$ 26,669,617	$ 41,350,932	$ 68,020,549	$ 271,715,757	$ 47,899,704	$ 319,615,461	$ --	$ --	$ 387,636,010

See Independent Auditors' Report.

Jewish Federation of Greater MetroWest NJ and Affiliates
Consolidating Statements of Activities and Changes in Net Assets
Year Ended June 30, 2017

	Jewish Federation of Greater MetroWest NJ, Inc.			Jewish Community Foundation of Greater MetroWest NJ			The Jewish Times	The Partnership For Jewish Learning and Life				
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	Total
Support and revenues												
Contributions	$ 22,063,563	$ 1,978,993	$ 24,042,556	$ 28,581,186	$ 5,939,716	$ 34,520,902	$ 104,781	$ --	$ --	$ --	$ (5,451,073)	$ 53,217,166
Less donor designations	(1,067,928)	--	(1,067,928)	--	--	--	--	--	--	--	--	(1,067,928)
Net contributions	20,995,635	1,978,993	22,974,628	28,581,186	5,939,716	34,520,902	104,781	--	--	--	(5,451,073)	52,149,238
Valuation allowance	--	--	--	37,000	(35,129)	1,871	--	--	--	--	--	1,871
Bequests	--	--	--	6,000	--	6,000	--	--	--	--	--	6,000
Rental income	3,972,871	--	3,972,871	2,376,826	--	2,376,826	--	--	--	--	(3,160,656)	3,189,041
Grants and contract revenue	192,890	--	192,890	--	--	--	--	--	--	--	--	192,890
Program and service fees	1,450,693	--	1,450,693	--	--	--	--	--	--	--	--	1,450,693
Investment income	2,490,032	4,883,469	7,373,501	38,866,768	5,262,372	44,129,140	--	--	--	--	(7,292,432)	44,210,209
Administrative fee revenue	--	--	--	646,791	--	646,791	--	--	--	--	--	646,791
Allocation of investment loss					--							
for funds held for others	--	--	--	(13,478,040)	--	(13,478,040)	--	--	--	--	7,292,432	(6,185,608)
Advertising and					--							
subscription sales	--	--	--	--	--	--	383,658	--	--	--	(91,256)	292,402
Gain on sale of property	--	--	--	1,555,996	--	1,555,996	--	--	--		--	1,555,996
Miscellaneous income	266,664	--	266,664	--	--	--	120,756	--	--	--	(53,508)	333,912
	29,368,785	6,862,462	36,231,247	58,592,527	11,166,959	69,759,486	609,195	--	--	--	(8,756,493)	97,843,435
Net assets released due to satisfaction of time or purpose restrictions	3,810,226	(3,810,226)	--	3,547,949	(3,547,949)	--	--	--	--	--	--	--
	33,179,011	3,052,236	36,231,247	62,140,476	7,619,010	69,759,486	609,195	--	--	--	(8,756,493)	97,843,435
Expenses												
Program services	26,556,957	--	26,556,957	41,326,649	--	41,326,649	2,241,309	--	--	--	(9,094,348)	61,030,567
Supporting services	10,689,859	--	10,689,859	2,085,166	--	2,085,166	--	--	--	--	337,855	13,112,880
	37,246,816	--	37,246,816	43,411,815	--	43,411,815	2,241,309	--	--	--	(8,756,493)	74,143,447
Changes in net assets before adjustments	(4,067,805)	3,052,236	(1,015,569)	18,728,661	7,619,010	26,347,671	(1,632,114)	--	--	--	--	23,699,988
Transfer of net assets	301,182	885,201	1,186,383	--	--	--	--	(301,182)	(885,201)	(1,186,383)	--	--
Adjustment for defined benefit plans	6,093,767	--	6,093,767	--	--	--	942,118	--	--	--	--	7,035,885
	2,327,144	3,937,437	6,264,581	18,728,661	7,619,010	26,347,671	(689,996)	(301,182)	(885,201)	(1,186,383)	--	30,735,873
Net assets - beginning of year	22,584,156	35,063,344	57,647,500	189,816,935	39,892,955	229,709,890	(1,722,686)	301,182	885,201	1,186,383	(608,763)	286,212,324
Net assets - end of year	$ 24,911,300	$ 39,000,781	$ 63,912,081	$ 208,545,596	$ 47,511,965	$ 256,057,561	$ (2,412,682)	$ -	$ -	$ -	$ (608,763)	$ 316,948,197

See Independent Auditors' Report.