

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022



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**JEWISH FEDERATION OF GREATER TOLEDO
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YEAR ENDED DECEMBER 31, 2022**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Jewish Federation of Greater Toledo
Sylvania, Ohio

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Jewish Federation of Greater Toledo, which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Jewish Federation of Greater Toledo as of December 31, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Restatement of the Prior Period Net Assets

As discussed in Note 19, Jewish Federation of Greater Toledo has restated its net assets as of December 31, 2021, during the current year to appropriately account for a failed sale leaseback in accordance with principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, in 2022 the Jewish Federation of Greater Toledo adopted the new accounting guidance for Contributed Nonfinancial Assets. The guidance requires that contributed nonfinancial assets are reported on a separate line item in the statements of activities apart from contributions of cash and other financial assets. Our opinion is not modified with respect to this matter.

As also discussed in Note 1 to the consolidated financial statements, in 2022 the Jewish Federation of Greater Toledo adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-of-use asset and corresponding liability for all operating and finance leases with lease terms greater than one year. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

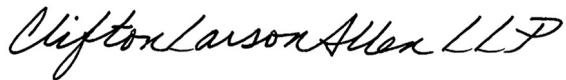
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Jewish Federation of Greater Toledo's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Jewish Federation of Greater Toledo's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements are presented for purposes of additional analysis and is 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 audit 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



CliftonLarsonAllen LLP

Toledo, Ohio
May 24, 2023

**JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 1,887,527
Accounts Receivable	32,133
Grants and Pledges Receivable	622,035
Prepaid Expenses and Other Assets	26,406
Total Current Assets	<u>2,568,101</u>

OTHER ASSETS

Net Property and Equipment (Note 5)	1,574,897
YMCA Deposit (Note 8)	520,000
Operating Lease Right-of-Use Asset (Note 9)	37,141
Investments (Note 4)	46,827,499
Beneficial Interest in Perpetual Trusts (Note 4 and 12)	2,808,014
Cash Surrender Value of Life Insurance (Note 7)	1,544,719

Total Assets	<u><u>\$ 55,880,371</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities	\$ 249,500
Current Portion of Operating Lease Liability (Note 9)	9,255
Deferred Revenue	6,650
Total Current Liabilities	<u>265,405</u>

NONCURRENT LIABILITIES

Operating Lease Liability (Note 9)	27,886
YMCA Integration Liability (Note 8)	520,000
Trusts Payable (Note 6)	2,242,583
Funds Held for Local Jewish Agencies (Note 13)	4,876,051
Investment Held for Associated Affiliate Organization (Note 3)	12,445,138
Total Liabilities	<u>20,377,063</u>

NET ASSETS

Without Donor Restrictions:	
Designated (Note 14)	23,574,698
Undesignated	7,447,287
Total Net Assets Without Donor Restrictions	<u>31,021,985</u>

With Donor Restrictions:	
Purpose Restrictions (Note 15)	128,590
Perpetual in Nature - Beneficial Interest in Perpetual Trusts (Note 12)	2,808,014
Restricted for Passage of Time - Cash Surrender Value of Life Insurance (Note 7)	1,544,719
Total With Donor Restrictions	<u>4,481,323</u>

Total Net Assets	<u>35,503,308</u>
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Total Liabilities and Net Assets	<u><u>\$ 55,880,371</u></u>
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See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, SUPPORT, AND LOSSES			
Support:			
Annual Campaign Pledges	\$ 856,410	\$ -	\$ 856,410
Contributions of Financial Assets	2,552,327	-	2,552,327
Contributions of Nonfinancial Assets	6,700	-	6,700
Grants	87,625	220,100	307,725
United Way, Donor-Directed Contributions	507	-	507
Jewish Senior Services Supporting Organization	624,686	-	624,686
Change in Value of Beneficial Interest in Perpetual Trusts	-	(713,982)	(713,982)
Allocations	163,981	-	163,981
Revenue and Gains:			
Program Service Fees	73,255	-	73,255
Tuition and Books, Net	52,779	-	52,779
Investment Loss, Net	(5,429,572)	-	(5,429,572)
Change in Cash Surrender Value of Life Insurance	-	45,217	45,217
Other	50,482	-	50,482
Net Assets Released from Restrictions	91,510	(91,510)	-
Total Revenue, Support, and Losses	<u>(869,310)</u>	<u>(540,175)</u>	<u>(1,409,485)</u>
EXPENSES			
Program:			
Cemetery	297,888	-	297,888
Grants	1,153,921	-	1,153,921
Senior and Family Social Services	790,493	-	790,493
Education	407,223	-	407,223
Federation	918,493	-	918,493
UJC Holdings	210,237	-	210,237
Total Program	<u>3,778,255</u>	<u>-</u>	<u>3,778,255</u>
Administrative	278,601	-	278,601
Foundation and Other Financial Resource Development	822,538	-	822,538
Total Expenses	<u>4,879,394</u>	<u>-</u>	<u>4,879,394</u>
CHANGE IN NET ASSETS BEFORE TRANSFERS	(5,748,704)	(540,175)	(6,288,879)
Transfer to Affiliated Entity	<u>(29,273)</u>	<u>-</u>	<u>(29,273)</u>
CHANGE IN NET ASSETS	(5,777,977)	(540,175)	(6,318,152)
Net Assets - Beginning of Year (As Restated - Note 19)	<u>36,799,962</u>	<u>5,021,498</u>	<u>41,821,460</u>
NET ASSETS - END OF YEAR	<u><u>\$ 31,021,985</u></u>	<u><u>\$ 4,481,323</u></u>	<u><u>\$ 35,503,308</u></u>

See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program - Cemetery	Program - Senior and Family Social Services	Program - Education	Program - Federation and Grants	Program - UJC Holdings	Total Program	Administrative	Foundation and Other Financial Resource Development	Total
Salaries and Wages	\$ 170,852	\$ 453,384	\$ 233,561	\$ 526,797	\$ -	\$ 1,384,594	\$ 155,364	\$ 514,041	\$ 2,053,999
Employee Benefits	25,757	68,351	35,211	79,418	-	208,737	21,856	70,773	301,366
Payroll Taxes	13,583	36,045	18,569	41,881	-	110,078	10,881	36,063	157,022
Total Salaries and Related Expenses	210,192	557,780	287,341	648,096	-	1,703,409	188,101	620,877	2,512,387
Supplies	4,881	12,952	6,672	15,049	1,919	41,473	5,224	7,076	53,773
Care of Building and Grounds	8,201	21,763	11,211	25,287	38,956	105,418	108	81	105,607
Printing and Publicity	1,874	4,972	2,562	5,778	-	15,186	5,456	5,764	26,406
Lease Payments and Maintenance of Equipment	8,479	22,501	11,591	26,144	260	68,975	32,907	48,857	150,739
Postage	1,204	3,194	1,645	3,712	-	9,755	2,739	4,479	16,973
Travel	1,513	4,015	2,068	4,665	-	12,261	527	6,381	19,169
Staff Development	3,367	8,934	4,602	10,380	-	27,283	4,452	7,772	39,507
Professional Fees	3,935	10,442	5,379	12,133	12,002	43,891	11,784	35,165	90,840
Organization Dues and Accreditation	5,176	13,736	7,076	15,960	-	41,948	6,588	46,007	94,543
Bad Debts	12	31	16	36	-	95	-	1,816	1,911
Insurance	1,978	5,248	2,703	6,097	26,288	42,314	4,671	71,803	118,788
Telephone	1,739	4,615	2,377	5,362	-	14,093	5,797	5,162	25,052
Events	31,542	83,703	43,120	97,256	-	255,621	448	42,249	298,318
Financial Assistance	10,584	28,085	14,468	32,633	-	85,770	16	12	85,798
Service Charges	219	582	300	677	-	1,778	2	8,586	10,366
Miscellaneous	281	745	385	868	-	2,279	5,447	(92,768)	(85,042)
Depreciation	2,711	7,195	3,707	8,360	130,812	152,785	4,334	3,219	160,338
Subtotal	297,888	790,493	407,223	918,493	210,237	2,624,334	278,601	822,538	3,725,473
Grants Awarded	-	-	-	1,153,921	-	1,153,921	-	-	1,153,921
Total Functional Expenses	<u>\$ 297,888</u>	<u>\$ 790,493</u>	<u>\$ 407,223</u>	<u>\$ 2,072,414</u>	<u>\$ 210,237</u>	<u>\$ 3,778,255</u>	<u>\$ 278,601</u>	<u>\$ 822,538</u>	<u>\$ 4,879,394</u>

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ (6,318,152)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:	
Depreciation	160,338
Net Realized and Unrealized Losses on Investments	6,035,826
Change in Value of Beneficial Interest in Perpetual Trusts	713,982
Change in Cash Value of Life Insurance	(45,217)
Change in Assets and Liabilities:	
Accounts Receivable	36,056
Grants and Pledges Receivable	(532,154)
Prepaid Expenses and Other Assets	1,684
Operating Lease Assets	6,400
Accounts Payable and Accrued Expenses	201,076
Deferred Revenue	(29,913)
Operating Lease Liabilities	(6,400)
Trusts Payable	(1,291,410)
Funds Held for Local Jewish Agencies	(1,568,106)
Net Cash Used by Operating Activities	<u>(2,635,990)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property and Equipment	(73,400)
Purchase of Investments	(870,641)
Proceeds from Sale of Investments	3,846,592
Net Cash Provided by Investing Activities	<u>2,902,551</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from Charitable Remainder Unitrust	894,549
Net Cash Provided by Financing Activities	<u>894,549</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS

1,161,110

Cash and Cash Equivalents - Beginning of Year

726,417

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 1,887,527

**SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND
FINANCING ACTIVITIES**

Obtaining Operating Right-of-Use Asset:	
Operating Right-of-Use Asset	\$ (43,541)
Operating Lease Liability	43,541
Total	<u><u>\$ -</u></u>

Net Realized and Unrealized Losses (Gains) on Investments Held for Associated
Affiliate Organization

\$ 2,805,184

Proceeds from Sale of Investments Held for Associated Affiliate Organization

\$ 1,699,168

Purchase of Investments Held for Associated Affiliate Organization

\$ (1,355,438)

Funds Held for Local Jewish Agencies Net Realized and Unrealized Losses

\$ 1,172,565

See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Jewish Federation of Greater Toledo is a nonprofit organization formed to support and enhance the health, welfare, education, spiritual life, unity, and continuity of the Toledo Jewish community, the surrounding areas, and Klal Yisrael – the world community of Israel, with services and programming consistent with its individual and collective values. The local community conducts an annual fundraising campaign along with long-term resource development through its foundation (Toledo Jewish Community Foundation, the Foundation) in order to carry out these needs.

Basis of Presentation

Jewish Federation of Greater Toledo (Federation) has entered into an affiliation agreement with UJC Holdings, Inc. (Holdings) (collectively, the Organization) to further their mutual interests. The governing body is the Federation which is the sole voting member for of the agency. In situations where there is common control and economic interest of nonprofit entities, accounting principles generally accepted in the United States of America (GAAP) require that consolidated financial statements be presented. Therefore, the accounts of this agency are included in these consolidated financial statements. All material interagency transactions have been eliminated.

Holdings is a nonprofit organization organized exclusively for charitable, religious, educational, and scientific purposes, including the making of distributions to organizations that qualify as nonprofit exempt organizations.

The Organization presents its consolidated financial statements in accordance with financial accounting standards for external reporting by nonprofit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories according to externally (donor) imposed restrictions. The Foundation reports substantially all of its net assets as without donor restrictions due to the Foundation having variance power. When a donor explicitly grants variance power, the Foundation has the right to redirect funds to another beneficiary without the approval of the donor, or other party if distributions for the restricted purpose become unnecessary, undesirable, impractical, or inconsistent with the charitable needs of the community. As a result of the ability to remove any restriction, all contributions not classified as with donor restrictions are classified as without donor restrictions for consolidated financial statement purposes.

Net Assets Without Donor Restrictions – Resources over which the board of directors has discretionary control. Designated amounts represent amounts which the board has set aside for a particular purpose. The undesignated net assets without donor restrictions includes the funds of the three supporting organizations of the Federation, the Solomon Supporting Organization, Wasserstrom Supporting Organization, and Delman Supporting Organization.

Net Assets With Donor Restrictions – Those resources subject to donor-imposed restrictions which will be satisfied by actions of the Organization or passage of time.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Federation considers all highly liquid short-term investments with a maturity of three months or less when purchased to be cash equivalents. Holdings consider only deposits in financial institutions as cash.

The Organization maintains its checking and savings accounts at commercial banks. Balances on deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to specific limits; however, balances in excess of FDIC limits are uninsured. Management does not believe the Organization is exposed to any significant interest rate or other financial risk as a result of these deposits.

Accounts, Grants, and Pledges Receivable

Program service fees are based on the ability of the client to pay and are recorded when services are performed. Grants and pledges are recognized when the donor makes a promise to give that is, in substance, unconditional. Receivables are stated at the amount expected to be collected from balances outstanding at year-end. The Organization has concluded that an allowance for doubtful accounts related to balances outstanding at year-end is not necessary. Uncollectible amounts that are still outstanding after management has used reasonable collection efforts are written off through a charge to bad debts and a credit to accounts, grants, and pledges receivable.

Property and Equipment and Depreciation

Land, buildings, and equipment, including significant improvements thereto, are recorded at cost or, if donated, at estimated fair value at the date of donation. Management evaluates these assets for impairment. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets which range from 2 to 30 years. The Organization's capitalization policy requires individual assets to be capitalized if the original cost or estimated fair value, at the date of donation, equals or exceeds \$1,000. Assets acquired at a cost under this amount are capitalized at the discretion of management. Maintenance, repairs, and minor improvements are charged against operations as incurred.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments consisting of corporate stocks and mutual funds are carried at fair value at quoted market prices. Donated investments are recorded at fair value at the date of donation. Net investment income is reported in the consolidated statement of activities and consists of interest and dividend income and realized and unrealized gains and losses, less external investment expenses.

The Foundation's investment funds consist of numerous funds established for a variety of purposes. These funds are considered unrestricted as they were made subject to the Foundation's bylaws or subject to fund agreements, both of which give the Foundation's board of directors variance power over spending the funds.

In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

Funds Held for Other Agencies

In accordance with accounting standards, when a nonprofit organization establishes a fund at a community foundation with its own funds and specifies itself or its affiliate(s) as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as Funds Held for Agencies on the consolidated statements of financial position. The Foundation maintains legal ownership of funds held for agencies and, as such, continues to report the funds as assets of the Foundation. However, in accordance with accounting standards, a liability has been established for the fair value of the funds.

All financial activity related to those funds is recorded as adjustments to the funds held for agencies liability and is omitted from the consolidated statements of activities.

Contributions

Contributions are recognized as revenue based upon the presence or absence of donor-imposed conditions. For those contributions absent of donor-imposed conditions, revenue is recognized at the time the Organization is notified of the contribution, regardless of the timing of the cash receipt. For contributions with donor-imposed conditions - that is, those with a measurable performance or other barrier and a right of return or release - revenue is recognized at the time the conditions are substantially met, regardless of the timing of cash receipt. Contributions with donor-imposed restrictions met in the same reporting year are reported as unrestricted contributions without reclassification. At December 31, 2022, the Organization had no conditional contributions.

Concentrations

Two donors account for 30% of revenue and 79% of receivables at December 31, 2022.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Organization leases equipment under operating leases. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the consolidated statement of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Organization uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the consolidated statement of financial position.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

Functional Allocation of Expenses

The cost of program and supporting services activities have been summarized on a functional basis in the combined statements of activities. The combined statements of functional expenses present the natural classification detail of expenses by function. Expenses directly related to each function are charged to the appropriate functional classification. Each expense is allocated using a method that is appropriate to the manner in which the expense is incurred.

Salary Basis - Employment wages, taxes, and benefits are allocated in proportion to the dollar amount of salaries paid in each program area based on approved salary splits for the year. Shared expenses not related to occupancy are spread on the percent of salary for each program, administrative, or fundraising area.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses (Continued)

Square Footage - Shared expenses relating to occupancy costs are directly related to the amount of physical space (square footage) a program area occupies and will be allocated based on the percentage of total building space.

Administrative Allocation - Administrative costs are allocated based on the percentage of the total amount of hours spent in each program/service area.

Printing and Publicity

The Organization advertises through newspapers, brochures, and direct mailings. Such costs are expensed as incurred since amounts do not apply to periods in excess of one year. Printing and publicity costs amounted to \$26,406 for the year ended December 31, 2022.

Grants Awarded

Promises to grant funds that stipulate conditions be met before the grant is made are not recorded until the conditions are met. There were no conditional grants made during the year ending December 31, 2022.

Contributed Services and Materials

The Organization records the value of donated services and materials when there is an objective basis available to measure their value. A number of unpaid volunteers have made contributions of their time in program services. The value of such donated services has not been reflected in these consolidated financial statements since it is not susceptible to objective measurement or valuation as required under GAAP. Donated materials and equipment, utilized in both program services and management and general, are reflected as net property and equipment and contributions of nonfinancial assets and expenses in the accompanying statement of financial position and statement of activities, respectively. See Note 17 for additional information.

Income Taxes

The Federation and its consolidated agencies are recognized as nonprofit organizations that are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Federation and its consolidated agencies are each organized under the laws of the state of Ohio as nonprofit organizations and are exempt from state and local income taxes. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business taxable income. The Organization determined it was not required to record a liability related to uncertain tax positions.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02, *Leases* (ASC 842). The new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the consolidated statement of financial position. Most prominent of the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the requirements of the guidance effective January 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption, with certain practical expedients available.

The Organization has elected to adopt the package of practical expedients available in the year of adoption. The Organization has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.

In September 2020, the FASB issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958). This standard requires that contributed nonfinancial assets are reported on a separate line item in the statements of activities, apart from contributions of cash and other financial assets. It also requires disclosure of disaggregated amounts of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets along with additional qualitative information about the monetization of such assets, donor restrictions, and valuation techniques. The adoption of this standard did not have any significant impact on the accompanying consolidated financial statements or disclosures.

Subsequent Events

The Organization has evaluated subsequent events through May 24, 2023, the date on which the consolidated financial statements were available to be issued.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following as of December 31, 2022:

Cash	\$ 1,887,527
Accounts Receivable	32,133
Grants and Pledges Receivable	622,035
Investment Securities	46,827,499
Less:	
Trusts Payable	(2,242,583)
Funds Held for Local Jewish Agencies	(4,876,051)
Investment Held for Associated Affiliate Organization	(12,445,138)
Board-Designated Net Assets	(23,574,698)
Distributions from Beneficial Interest in Perpetual Trusts	159,616
Total	<u>\$ 6,390,340</u>

The liquidation policy of the organization is to maintain a maximum of \$375,000 of cash to maintain operation needs along with grants and donor requests in the Foundation. As cash depletes and is needed for operations, funds are moved from investments as approved in the budget process. Cash needs for donor requests or operations in Foundation are approved through the CEO and officers and two employee signatures are needed in order to transfer funds from a Foundation Unrestricted Funds Account. The intention of the organization is to maintain a 5% spend on Unrestricted Funds. The pledge receivables are generally collected within one year of the Statement of Financial Position date.

At the end of December 2022, a stock donation created a temporary increase of cash that was deposited into the investment accounts in early 2023.

As part of its liquidity plan, the Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The receivables are subject to time restrictions but will be collected within one year of the statement of financial position date.

In addition to the financial assets available to meet cash needs for general expenditure within one year of \$6,390,340 at December 31, 2022, the Organization is primarily supported by annual campaign pledges, contributions, investment income, and other revenue sources. Further, the board-designated funds could be made available upon board approval, if necessary. As part of liquidity management, the Organization invests cash in excess of daily requirements in various short-term investments.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 INVESTMENTS HELD FOR ASSOCIATED AFFILIATE ORGANIZATION

The Federation is an intermediary for the Jewish Senior Services Supporting Organization and has recorded an asset and liability in the consolidated statement of financial position for the investments held for that organization which amount to \$12,445,138 at December 31, 2022.

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value. The term “fair value hierarchy” refers to the relative reliability of inputs to a fair value measurement. Generally, the lower the level of input for a fair value measurement, the more extensive the disclosure requirement.

The three-level fair value hierarchy prioritizes the inputs to valuation technique used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in active markets or markets that are not active, such as dealer or broker markets.

Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

There were no financial instruments measured at fair value that moved to a lower level in the fair value hierarchy due to the lack of observable quotes in inactive markets for those instruments.

The Organization had no assets or liabilities measured on a nonrecurring basis.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The following table summarize financial assets (there were no financial liabilities) measured at fair value segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Cash and Money Markets	\$ -	\$ 65,402	\$ -	\$ 65,402
Corporate Common Stocks	6,851,365	-	-	6,851,365
Government of Israel Bonds	-	524,835	-	524,835
Mutual Funds:				
Fixed Income Bond Fund	10,867,618	-	-	10,867,618
International	13,518,230	-	-	13,518,230
Large-Cap	11,725,073	-	-	11,725,073
Small/Mid-Cap	2,228,403	-	-	2,228,403
Real Estate	328,025	-	-	328,025
Emerging Markets Equity	718,548	-	-	718,548
Total Investments	46,237,262	590,237	-	46,827,499
Beneficial Interest in Perpetual Trusts	-	-	2,808,014	2,808,014
Total Assets at Fair Value	<u>\$ 46,237,262</u>	<u>\$ 590,237</u>	<u>\$ 2,808,014</u>	<u>\$ 49,635,513</u>

Instrument	Fair Value	Principal Valuation Technique	Unobservable Inputs
Beneficial Interest in Perpetual Trust	<u>\$ 2,808,014</u>	FMV of Trust Investments	Time Period of Trust
Purchases			\$ 1,122,392
Sales			(1,209,805)
Transfers In			88,682
Transfers Out			(250,636)

Net investment loss for the year ended December 31, 2022 is as follows:

Interest and Dividends	\$ 663,636
Unrealized Losses	(6,292,093)
Realized Gains	256,267
Investment Advisory Fees	(57,382)
Net Investment Losses	<u>\$ (5,429,572)</u>

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 PROPERTY AND EQUIPMENT

Net property and equipment consist of the following at December 31, 2022:

Property and Equipment:	
Land and Improvements	\$ 77,551
Buildings and Building Improvements	2,148,515
Furniture and Equipment	367,157
Vehicles	39,112
Leasehold Interest in Building	5,060,231
Total Property and Equipment	<u>7,692,566</u>
Less: Allowance for Depreciation	6,117,669
Net Property and Equipment	<u><u>\$ 1,574,897</u></u>

NOTE 6 TRUSTS PAYABLE

The Federation has been designated as the trustee for split-interest agreements, consisting of three charitable remainder trusts. The terms of these agreements include making fixed payments and payments based on the return on investments to beneficiaries and payouts of principal to the Federation and other organizations after certain events have occurred. Assets under these collective agreements amounted to \$2,242,583 at December 31, 2022, and are included as Investments in the consolidated statement of financial position. Since the beneficiaries are subject to change, the Federation has also established liabilities for the same amount at December 31, 2022, which is recorded as Trusts Payable in the consolidated statement of financial position. Should these events occur without a change to the beneficiaries, the Federation would be entitled to approximately 74% as partial beneficiary.

NOTE 7 LIFE INSURANCE POLICIES

The Foundation is owner and beneficiary of certain donated life insurance policies, which had a total face value of approximately \$4,636,000 at December 31, 2022. The cash surrender value of these policies is \$1,544,719 at December 31, 2022, and is reflected as an asset in the consolidated statement of financial position.

NOTE 8 YMCA INTEGRATION

Prior to December 28, 2018, Holdings and the Federation were parties to an integration and lease agreement with the YMCA of Greater Toledo (YMCA) that was entered into on January 31, 2004. The YMCA operated Holdings' primary recreational facility located in their primary operating building as a result of these agreements.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 8 YMCA INTEGRATION (CONTINUED)

On December 28, 2018, Holdings and the Federation entered into a new operating agreement with the YMCA and sold their primary operating building to the YMCA for a total sales price of \$2,400,000. The consideration included \$520,000 in cash, the future use of a portion of the building for 20 years valued at \$880,000, and future joint marketing rights of the building valued at \$1,000,000.

Because the majority of the sale proceeds will be realized in the future, the Organization is required for accounting purposes, to record the Land, Building, and Furniture related to the sale as assets of the Organization, even though legal title to the property has been transferred to the YMCA. The removal of the property sold as an asset on the Organization's consolidated financial statements will occur when the Federation no longer occupies the property and all the consideration for the sale has been received by the Organization.

Following the sale of the building, the Federation received \$520,000 in cash. This amount is recorded as a deposit from the YMCA and a liability due to the YMCA until the Federation is no longer receiving consideration from the sale including its lease rights and marketing rights.

NOTE 9 LEASES

The Organization leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2027.

The following table provides quantitative information concerning the Organization's leases.

Lease Cost:

Operating Lease Costs	\$ 6,730
Short-Term Lease Costs	-
Variable Lease Costs	-
Sublease Income	-
Total Lease Costs	<u>\$ 6,730</u>

Other Information:

Operating Cash Flows from Operating Leases	\$ 6,730
Right-of-Use Assets Obtained in Exchange for New	
Operating Lease Liabilities	\$ 43,541
Weighted-Average Remaining Lease Term -	
Operating Leases	4.0 Years
Weighted-Average Discount Rate - Operating Leases	1.26%

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9 LEASES (CONTINUED)

The Organization classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2022, is as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 9,662
2024	9,662
2025	9,662
2026	6,006
2027	3,099
Thereafter	-
Total Lease Payments	<u>38,091</u>
Less: Interest	<u>950</u>
Present Value of Lease Liabilities	<u><u>\$ 37,141</u></u>

NOTE 10 GRANT ALLOCATIONS

Federation grant allocations are as follows for the year ended December 31, 2022:

National Jewish Organizations	\$ 273,663
Synagogues (Including Capital Campaigns)	496,879
Synagogues in Other Communities	6,518
Local Jewish Organizations	26,925
Local Jewish in Other Communities	53,450
Local Social Services and Art	49,609
National Social Services	11,300
Scholarships	112,645
Education and Hospitals	93,855
Other	29,077
Total Allocations	<u><u>\$ 1,153,921</u></u>

NOTE 11 RETIREMENT PLANS

The Federation sponsors a qualified retirement plan under Section 401(k) of the IRC for all of the individual agencies. This plan allows for employee salary deferrals, employee rollover contributions, employer safe harbor contributions of 3% of eligible employee compensation, plus additional contributions that may be made at the employer's discretion. This plan covers substantially all employees of the Federation, following one year of service and attainment of age 21. All contributions are fully vested upon placement in the 401(k) plan. Contribution expense related to the plans amounted to \$121,879 for the year ended December 31, 2022, and is reported as part of Employee Benefits in the consolidated statements of functional expenses.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 11 RETIREMENT PLANS (CONTINUED)

Certain service employees and former employees of Holdings are participants in the frozen Employee Benefits Plan of the United Way of Greater Toledo and Affiliated Agencies (the Plan) (EIN: 34-4427947, No.: 333). Under the Plan, benefit accrual service ceased to accrue for all participants as of December 31, 2003, and final average earnings used to calculate benefits ceased to accrue as of that date. The Plan will remain in existence as long as necessary to pay benefits accumulated prior to December 31, 2003.

As of December 31, 2022, the most recent information available, 38 of the 1,046 total participants are from the Organization. Since the Plan is an Eligible Charity Plan (ECP), the Plan is not subject to the minimum funding standards contained in the Pension Protection Act of 2006 (PPA) until the first plan year for which the Plan ceases to be an ECP. The United Way of Greater Toledo's (United Way) board of trustees has established a Funding Policy which requires contributions to meet or exceed the minimum funding requirement. Contributions were required to be made to the Plan for 2022 in amounts determined by the United Way board of trustees. The contributions are allocated among the United Way and the participating agencies based on calculations performed by the Plan's actuary. The Organization's share of the required contributions was \$4,932 for the year ended December 31, 2022 and is 2.67% of the total Plan contributions.

At January 1, 2023, the most recent information available, the value of the Plan's assets of \$33.2M are less than the current liability of \$36.9M. The current liability represents the present value of accumulated plan benefits computed using certain interest rate assumptions that are prescribed by Pension Protection Act (PPA). The funding is determined by the actuary and is allocated based on employee liability among United Way and the participating agencies. In the event of nonpayment by a participating agency, the remaining participating agencies of the Plan may be liable to meet the minimum contribution required by the PPA.

The actuarial present value of accumulated Plan benefits was \$34.8 as of the January 1, 2023 valuation date, the most recent information available. The fair value of the Plan's investments was \$33.2M as of January 1, 2023. Plan assets are invested based on a long-term investment strategy and held approximately 28% in fixed income securities, 56% in equity accounts, and 16% in other as of December 31, 2022.

NOTE 12 BENEFICIAL INTEREST IN PERPETUAL TRUSTS

The Organization is beneficiary of an interest in two irrevocable trusts, the combined value of which is \$2,808,014 as of December 31, 2022, and is reflected as an asset on the consolidated statement of financial position. Under the terms of the first irrevocable trust, the Organization is entitled to 35% of the income generated from this trust in perpetuity. Since the trust is irrevocable, the Organization has recorded 35% of the trust's assets as a beneficial interest in a perpetual trust with donor restrictions.

Under the terms of the second irrevocable trust, the Organization is entitled to 2.54% of the income generated from this trust in perpetuity. Since the trust is irrevocable, the Organization has recorded 2.54% of the trust's assets as a beneficial interest in a perpetual trust and with donor restrictions.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 13 TRANSACTIONS IN FUNDS HELD FOR LOCAL JEWISH AGENCIES

Transactions in local Jewish agency funds are summarized below for the year ended December 31, 2022:

Additions:	
Contributions	\$ 100,000
Net Realized Gains	76,137
Investment Income	121,118
Total Additions	<u>297,255</u>
Deductions:	
Distributions - Grants	557,857
Net Unrealized Losses	1,248,702
Advisory Fees	58,802
Total Deductions	<u>1,865,361</u>
Change in Balance	(1,568,106)
Balance in Agency Funds - Beginning of Year	<u>6,444,157</u>
Balance in Agency Funds - End of Year	<u><u>\$ 4,876,051</u></u>

NOTE 14 DESIGNATED NET ASSETS

Net assets at December 31, 2022 have been designated for the following purposes by the board of directors:

Board-Designated	\$ 296,194
Agency Funds from Outside Donors	1,093,006
Legacy JFGT Agency Funds (JFS, TBJE, JCC)	1,836,472
JFGT Agency Funds	5,067,273
Perpetual Annual Campaign and Lion of Judah Endowments	3,354,602
Toledo Jewish Community Cemetery Association Funds	2,142,477
Donor Advised Funds	6,639,515
Special Purpose Funds	3,145,159
Total Board-Designated Net Assets	<u><u>\$ 23,574,698</u></u>

NOTE 15 NET ASSETS WITH DONOR PURPOSE RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at December 31, 2022:

Subject to Expenditure for Specified Purpose:	
Childcare Stabilization Grants	\$ 73,824
Ohio Department of Aging - At Home Technology Pilot	54,766
Total Purpose Restrictions	<u><u>\$ 128,590</u></u>

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 15 NET ASSETS WITH DONOR PURPOSE RESTRICTIONS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended December 31, 2022:

Satisfaction of Purpose Restrictions:

Childcare Stabilization Grants	\$ 54,276
Ohio Department of Aging - At Home Technology Pilot	<u>37,234</u>
Total Net Assets Released from Restrictions	<u><u>\$ 91,510</u></u>

NOTE 16 ENDOWMENTS

The Organization has 177 funds of which 160 of those funds are designated by the board to function as endowments for a variety of purposes (the Endowment). As required by GAAP, net assets associated with endowment funds, including funds designated by the board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The board has interpreted the Ohio Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

The Organization considers the following factors in making a determination to appropriate or accumulate endowment funds:

1. The duration and preservation of the fund.
2. The purpose of the Organization 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. Other resources of the Organization.
7. The investment policies of the Organization.

The Organization is also governed subject to its Governing Documents. The board of directors has determined that the majority of the Organization's contributions are subject to the terms of the Governing Documents. Certain contributions are received subject to other gift instruments or are subject to specific agreements with the Organization.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 16 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law (Continued)

Under the terms of the Governing Documents, which allows for variance power, the board of directors has the ability to distribute a portion of the corpus of any trust or separate gift, devise, bequest, or fund as the board of directors shall determine. As a result of the ability to distribute corpus, all contributions not classified as net assets with donor restrictions are classified as net assets without donor restrictions for consolidated financial statement purposes.

Investment Return Objectives, Risk Parameters, and Strategies

The Organization has adopted investment and spending policies, approved by the board of directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Endowment assets are invested in a well-diversified asset mix, which includes equity and fixed income securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution as described in the spending policy below, while growing the funds if possible. Therefore, the Organization expects its endowment assets, over time, to produce an annual average rate of return of approximately 5% greater than inflation as expressed in the Consumer Price Index, net of expenses. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy

The Organization has a policy of appropriating an annual 5% distribution, on applicable funds, based on a rolling 12-quarter average of the funds' quarterly net asset balance. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, and the possible effects of inflation.

From time to time, certain donor restricted funds within the Endowment may have fair values that are less than the amount required to be maintained by donors or by law (underwater endowments). At December 31, 2022, there are no underwater endowment funds within the Foundation's donor restricted net assets.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 16 ENDOWMENTS (CONTINUED)

Composition of and changes in endowment net assets are as follows:

December 31, 2022	Without Donor Restriction	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 23,574,698	\$ -	\$ 23,574,698
Donor-Restricted Endowment Funds	-	-	-
Total	<u>\$ 23,574,698</u>	<u>\$ -</u>	<u>\$ 23,574,698</u>

December 31, 2022	Without Donor Restriction	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ 27,042,002	\$ -	\$ 27,042,002
Contributions	2,437,952	-	2,437,952
Net Investment Loss	(4,208,551)	-	(4,208,551)
Amounts Appropriated for Expenditure	(1,696,705)	-	(1,696,705)
Transfers	-	-	-
Total	<u>(3,467,304)</u>	<u>-</u>	<u>(3,467,304)</u>
Endowment Net Assets - End of Year	<u>\$ 23,574,698</u>	<u>\$ -</u>	<u>\$ 23,574,698</u>

NOTE 17 CONTRIBUTED NONFINANCIAL ASSETS

The Organization received contributions of materials totaling \$6,700 allocated among program and supporting services as of December 31, 2022.

The Organization estimated the fair value of material is based on estimates of wholesale values for the items purchased by the various donors on behalf of the Organization.

NOTE 18 RELATED PARTY TRANSACTIONS

The Federation received endowment service charges from Jewish Senior Services of Toledo, Inc. (JSS) of \$59,124 for the year ended December 31, 2022, which are included within other revenue on the consolidated statement of activities.

In addition, the Federation and UJC Holdings, Inc. received grant allocations from JSS amounting to \$588,654 and \$36,032, respectively, for the year ended December 31, 2022.

The Jewish Senior Services Supporting Organization board has approved approximately \$702,000 in allocations to the Federation to be paid during the year ending December 31, 2023.

JEWISH FEDERATION OF GREATER TOLEDO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 19 PRIOR PERIOD RESTATEMENT

As discussed in Note 8, the Organization and the YMCA were parties to an integration and lease agreement. During 2022, when the Organization was adopting ASC 842, it was determined that the criteria for the sale consummation were not met. Therefore, the below restatement was required for the consolidated financial statements to be in conformity with GAAP.

The effect on the respective line items, including net assets, as presented on the consolidated financial statements is summarized as follows:

	As Previously Reported <u>12/31/2021</u>	Restatement <u>12/31/2021</u>	As Restated <u>12/31/2021</u>
YMCA Deposit	\$ -	\$ 520,000	\$ 520,000
Prepaid Rent	748,000	(748,000)	-
Intangible Asset	850,000	(850,000)	-
Net Property and Equipment	1,299,777	362,058	1,661,835
YMCA Integration Liability	-	(520,000)	(520,000)
Deferred Gain on Sale of Property	(1,598,000)	1,598,000	-
Total Net Assets	(41,459,402)	(362,058)	(41,821,460)

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	Jewish Federation	Toledo Jewish Community Foundation	Total Jewish Federation	UJC Holdings, Inc.	Eliminations	Total
ASSETS						
CURRENT ASSETS						
Cash and Cash Equivalents	\$ 536,355	\$ 1,331,520	\$ 1,867,875	\$ 19,652	\$ -	\$ 1,887,527
Accounts Receivable	32,133	-	32,133	-	-	32,133
Grants and Pledges Receivable	107,185	614,850	722,035	-	(100,000)	622,035
Prepaid Expenses and Other Assets	26,406	-	26,406	-	-	26,406
Total Current Assets	702,079	1,946,370	2,648,449	19,652	(100,000)	2,568,101
OTHER ASSETS						
Net Property and Equipment (Note 5)	218,354	-	218,354	1,356,543	-	1,574,897
YMCA Deposit (Note 8)	-	-	-	520,000	-	520,000
Operating Lease Right-of-Use Asset (Note 9)	37,141	-	37,141	-	-	37,141
Investments (Note 4)	6,701	46,820,798	46,827,499	-	-	46,827,499
Beneficial Interest in Perpetual Trusts (Note 4 and 12)	2,808,014	-	2,808,014	-	-	2,808,014
Cash Surrender Value of Life Insurance (Note 7)	-	1,544,719	1,544,719	-	-	1,544,719
Total Assets	\$ 3,772,289	\$ 50,311,887	\$ 54,084,176	\$ 1,896,195	\$ (100,000)	\$ 55,880,371
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ 43,709	\$ 305,791	\$ 349,500	\$ -	\$ 100,000	\$ 249,500
Current Portion of Operating Lease Liability (Note 9)	9,255	-	9,255	-	-	9,255
Deferred Revenue	6,650	-	6,650	-	-	6,650
Total Current Liabilities	59,614	305,791	365,405	-	100,000	265,405
NONCURRENT LIABILITIES						
Operating Lease Liability (Note 9)	27,886	-	27,886	-	-	27,886
YMCA Integration Liability (Note 8)	-	-	-	520,000	-	520,000
Trusts Payable (Note 6)	-	2,242,583	2,242,583	-	-	2,242,583
Funds Held for Local Jewish Agencies (Note 13)	-	4,876,051	4,876,051	-	-	4,876,051
Investment Held for Associated Affiliate Organization (Note 3)	-	12,445,138	12,445,138	-	-	12,445,138
Total Liabilities	87,500	19,869,563	19,957,063	520,000	100,000	20,377,063
NET ASSETS						
Without Donor Restrictions:						
Designated (Note 14)	-	23,574,698	23,574,698	-	-	23,574,698
Undesignated	748,185	5,322,907	6,071,092	1,376,195	-	7,447,287
Total Net Assets Without Donor Restrictions	748,185	28,897,605	29,645,790	1,376,195	-	31,021,985
With Donor Restrictions:						
Purpose Restrictions (Note 15)	128,590	-	128,590	-	-	128,590
Perpetual in Nature - Beneficial Interest in Perpetual Trusts (Note 12)	2,808,014	-	2,808,014	-	-	2,808,014
Restricted for Passage of Time - Cash Surrender Value of Life Insurance (Note 7)	-	1,544,719	1,544,719	-	-	1,544,719
Total With Donor Restrictions	2,936,604	1,544,719	4,481,323	-	-	4,481,323
Total Net Assets	3,684,789	30,442,324	34,127,113	1,376,195	-	35,503,308
Total Liabilities and Net Assets	\$ 3,772,289	\$ 50,311,887	\$ 54,084,176	\$ 1,896,195	\$ 100,000	\$ 55,880,371

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	Jewish Federation	Toledo Jewish Community Foundation	Total Jewish Federation	UJC Holdings, Inc.	Eliminations	Total
REVENUE, SUPPORT, AND LOSSES						
Support:						
Annual Campaign Pledges	\$ 1,201,480	\$ -	\$ 1,201,480	\$ -	\$ (345,070)	\$ 856,410
Contributions of Financial Assets	123,868	2,587,274	2,711,142	-	(158,815)	2,552,327
Contributions of Nonfinancial Assets	6,700	-	6,700	-	-	6,700
Grants	271,298	-	271,298	-	(183,673)	87,625
United Way, Donor-Directed Contributions	507	-	507	-	-	507
Jewish Senior Services Supporting Organization	588,654	-	588,654	36,032	-	624,686
Allocations	807,016	-	807,016	42,531	(685,566)	163,981
Revenue and Gains:						
Program Service Fees	73,255	-	73,255	-	-	73,255
Tuition and Books, Net	52,779	-	52,779	-	-	52,779
Investment Loss, Net	-	(5,429,572)	(5,429,572)	-	-	(5,429,572)
Other	(60,001)	120,874	60,873	-	(10,391)	50,482
Net Assets Released from Restrictions	91,510	-	91,510	-	-	91,510
Total Revenue, Support, and Losses	3,157,066	(2,721,424)	435,642	78,563	(1,383,515)	(869,310)
EXPENSES						
Program:						
Cemetery	286,743	11,145	297,888	-	-	297,888
Grants	259,159	2,278,277	2,537,436	-	(1,383,515)	1,153,921
Senior and Family Social Services	790,493	-	790,493	-	-	790,493
Education	407,223	-	407,223	-	-	407,223
Federation	918,493	-	918,493	-	-	918,493
UJC Holdings	-	-	-	210,237	-	210,237
Total Program	2,662,111	2,289,422	4,951,533	210,237	(1,383,515)	3,778,255
Administrative	249,726	28,875	278,601	-	-	278,601
Foundation and Other Financial Resource Development	394,895	427,643	822,538	-	-	822,538
Total Expenses	3,306,732	2,745,940	6,052,672	210,237	(1,383,515)	4,879,394
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS BEFORE TRANSFERS	(149,666)	(5,467,364)	(5,617,030)	(131,674)	-	(5,748,704)
Transfer to Affiliated Entity	(16,000)	(29,273)	(45,273)	16,000	-	(29,273)
Change in Net Assets Without Donor Restrictions	(165,666)	(5,496,637)	(5,662,303)	(115,674)	-	(5,777,977)
NET ASSETS WITH DONOR RESTRICTIONS						
Grants	220,100	-	220,100	-	-	220,100
Change in Cash Surrender Value of Life Insurance	-	45,217	45,217	-	-	45,217
Change in Value of Beneficial Interest in Perpetual Trusts	(713,982)	-	(713,982)	-	-	(713,982)
Net Assets Released from Restrictions	(91,510)	-	(91,510)	-	-	(91,510)
Changes in Net Assets With Donor Restrictions	(585,392)	45,217	(540,175)	-	-	(540,175)
CHANGE IN NET ASSETS	(751,058)	(5,451,420)	(6,202,478)	(115,674)	-	(6,318,152)
Net Assets - Beginning of Year (As Restated - Note 19)	4,435,847	35,893,744	40,329,591	1,491,869	-	41,821,460
NET ASSETS - END OF YEAR	<u>\$ 3,684,789</u>	<u>\$ 30,442,324</u>	<u>\$ 34,127,113</u>	<u>\$ 1,376,195</u>	<u>\$ -</u>	<u>\$ 35,503,308</u>



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