

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

Consolidated Financial Statements

For the Years Ended June 30, 2017 and 2016

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Independent Auditor's Report

**To the Board of Directors
Jewish Federation of Greater Seattle and Supporting Foundations
Seattle, Washington**

We have audited the accompanying consolidated financial statements of the Jewish Federation of Greater Seattle and supporting foundations (collectively the Federation), which comprise the consolidated statements of financial position as of June 30, 2017 and 2016, and the related consolidated statements of activities with consolidating information and cash flows 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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.



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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Federation as of June 30, 2017 and 2016, and the results of its activities and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses and consolidating schedule of financial position on 24 through 26 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The consolidating information on pages 5, 6, 7 of the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applies in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Clark Nuber P.S.

Certified Public Accountants
January 25, 2018

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

Consolidated Statements of Financial Position - Assets
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Cash and cash equivalents	\$ 3,653,559	\$ 3,261,398
Receivables:		
Pledges (Note 2)	1,352,745	1,702,357
Partnership distribution		287,988
Notes		72,813
Other	<u>64,145</u>	<u>78,995</u>
	1,416,890	2,142,153
Less provision for uncollectible amounts	<u>(184,143)</u>	<u>(225,082)</u>
Total Receivables	1,232,747	1,917,071
Prepaid expenses	103,738	153,925
Investments (Note 3)	59,297,820	55,763,241
Beneficial interest in charitable lead annuity trust (Note 5)	5,340,638	5,351,842
Furniture, Equipment and Tenant Improvements:		
Tenant improvements	156,668	220,583
Furniture and equipment	302,012	405,415
Donated artwork (nondepreciable)	<u>192,000</u>	<u>201,170</u>
	650,680	827,168
Less accumulated depreciation	<u>(331,552)</u>	<u>(471,042)</u>
Total Furniture, Equipment and Tenant Improvements	319,128	356,126
Total Assets	<u>\$ 69,947,630</u>	<u>\$ 66,803,603</u>

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Consolidated Statements of Financial Position - Liabilities and Net Assets
June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 234,279	\$ 250,126
Allocations and grants payable (Note 4)	1,545,784	1,327,557
Liabilities under split-interest agreements (Note 5)	1,325,071	1,317,201
Funds held on behalf of community organizations (Note 6)	<u>4,579,866</u>	<u>4,100,550</u>
Total Liabilities	7,685,000	6,995,434
Net Assets (Note 8):		
Unrestricted-		
Undesignated	9,766,596	9,688,595
Designated by Board of Directors	19,467,083	18,552,370
Memorial and other funds	2,911,979	2,617,759
Donor advised funds	<u>10,873,180</u>	<u>10,604,175</u>
Total unrestricted	43,018,838	41,462,899
Restricted-		
Temporarily restricted	18,921,257	18,022,735
Permanently restricted	<u>322,535</u>	<u>322,535</u>
Total restricted	<u>19,243,792</u>	<u>18,345,270</u>
Total Net Assets	<u>62,262,630</u>	<u>59,808,169</u>
Total Liabilities and Net Assets	<u>\$ 69,947,630</u>	<u>\$ 66,803,603</u>

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Consolidated Statements of Activities With Consolidating Information
For the Years Ended June 30, 2017 and 2016**

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	Consolidating Entries	2017 Total	2016 Total
Change in Unrestricted Net Assets:						
Public support and revenue-						
Public support:						
Contributions, annual campaign	\$ 3,232,258	\$ -	\$ -	\$ (1,449,580)	\$ 1,782,678	\$ 2,166,968
Contributions, other	398,392	981,247	50	(150)	1,379,539	1,549,847
Adjustment to provision for uncollectible amounts	(24,968)				(24,968)	116,045
Total public support	3,605,682	981,247	50	(1,449,730)	3,137,249	3,832,860
Revenue-						
Investment income, net of fees of \$112,990 (2016 - \$109,978)	7,550	1,086,617	153,971		1,248,138	2,407,997
Net realized/unrealized gains (losses) on investments	7,846	2,944,791	709,241		3,661,878	(1,700,004)
Gain on sale of building and leaseback						53,438
Special events	53,621			(5,000)	48,621	115,836
Other income/loss	396,895		233	(432,388)	(35,260)	80,214
Total revenue	465,912	4,031,408	863,445	(437,388)	4,923,377	957,481
Net assets released from restrictions	432,517	650,725			1,083,242	1,130,427
Total Public Support and Revenue	4,504,111	5,663,380	863,495	(1,887,118)	9,143,868	5,920,768

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE
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**Consolidated Statements of Activities With Consolidating Information (Continued)
For the Years Ended June 30, 2017 and 2016**

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	Consolidating Entries	2017 Total	2016 Total
Allocations, Programs and Expenses:						
Allocations-						
Annual campaign allocations	1,318,332				1,318,332	1,474,324
Endowment allocations		2,817,605		(1,419,730)	1,397,875	1,601,960
Allocation of donor advised fund		490,051			490,051	3,599,237
Supporting foundation allocations			1,305,465	(35,000)	1,270,465	629,241
Total allocations	1,318,332	3,307,656	1,305,465	(1,454,730)	4,476,723	7,304,762
Programs and expenses-						
Community programs	2,061,612	382,866		(376,529)	2,067,949	2,224,911
Fundraising	718,364				718,364	920,667
Management and general	498,352		65,230	(55,859)	507,723	566,000
Total programs and expenses	3,278,328	382,866	65,230	(432,388)	3,294,036	3,711,578
Total Allocations, Programs and Expenses	4,596,660	3,690,522	1,370,695	(1,887,118)	7,770,759	11,016,340
Change in Unrestricted Net Assets Before Transfers	(92,549)	1,972,858	(507,200)		1,373,109	(5,095,572)
Transfers (Note 8)	182,830				182,830	253,126
Change in Unrestricted Net Assets	90,281	1,972,858	(507,200)		1,555,939	(4,842,446)

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Consolidated Statements of Activities With Consolidating Information (Continued)
For the Years Ended June 30, 2017 and 2016**

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	Consolidating Entries	2017 Total	2016 Total
Change in Unrestricted Net Assets	90,281	1,972,858	(507,200)		1,555,939	(4,842,446)
Change in Temporarily Restricted Net Assets:						
Contributions	483,026	134,054			617,080	696,703
Investment income, net of fees of \$28,948 (2016 - \$28,086)		416,156			416,156	699,828
Net realized/unrealized gains (losses) on investments		1,232,486			1,232,486	(627,122)
Change in value of split-interest agreements, net of payments to beneficiaries		(101,128)			(101,128)	(24,265)
Transfers (Note 8)	(60,406)	(122,424)			(182,830)	(253,126)
Net assets released from restrictions	(432,517)	(650,725)			(1,083,242)	(1,130,427)
Change in Temporarily Restricted Net Assets	(9,897)	908,419			898,522	(638,409)
Change in Net Assets	80,384	2,881,277	(507,200)		2,454,461	(5,480,855)
Net Assets, Beginning of Year:						
Unrestricted	4,957,152	30,208,075	6,297,672		41,462,899	46,305,345
Temporarily restricted	499,480	17,523,255			18,022,735	18,661,144
Permanently restricted		322,535			322,535	322,535
Total Net Assets, Beginning of Year	5,456,632	48,053,865	6,297,672		59,808,169	65,289,024
Net Assets, End of Year:						
Unrestricted	5,047,433	32,180,933	5,790,472		43,018,838	41,462,899
Temporarily restricted	489,583	18,431,674			18,921,257	18,022,735
Permanently restricted		322,535			322,535	322,535
Total Net Assets, End of Year	\$ 5,537,016	\$ 50,935,142	\$ 5,790,472	\$ -	\$ 62,262,630	\$ 59,808,169

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE
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**Consolidated Statements of Cash Flows
For the Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
Operating Activities:		
Change in net assets	\$ 2,454,461	\$ (5,480,855)
Adjustments to reconcile change in net assets to net cash used in operating activities-		
Depreciation	44,474	33,093
Loss on disposal of equipment	71,794	
Net realized/unrealized (gains) losses on investments	(4,894,364)	2,327,126
Change in value of beneficial interest in charitable lead annuity trust	11,204	(130,532)
Cash changes in operating assets and liabilities:		
Pledges receivable	308,673	547,722
Bequests receivable		10,000
Partnership distribution receivable	287,988	(287,988)
Other receivables	14,850	5,712
Prepaid expenses	50,187	150,312
Accounts payable and accrued expenses	(15,847)	(4,419)
Allocations and grants payable	218,227	(871,267)
Liabilities under split interest agreements	7,870	(73,654)
Funds held on behalf of community organizations	479,316	(629,664)
Net Cash Used by Operating Activities	(961,167)	(4,404,414)
Investing Activities:		
Proceeds from sales of investments, net	5,723,138	9,210,377
Purchase of investments, net	(4,363,353)	(4,855,792)
Purchase of equipment	(79,270)	(9,234)
Payments received from notes receivable	72,813	22,449
Net Cash Provided by Investing Activities	1,353,328	4,367,800
Net Change in Cash and Cash Equivalents	392,161	(36,614)
Cash and cash equivalents, beginning of year	3,261,398	3,298,012
Cash and Cash Equivalents, End of Year	\$ 3,653,559	\$ 3,261,398

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 1 - Summary of Significant Accounting Policies

Mission - The Federation leads a strong Jewish Puget Sound by serving as a community voice, strengthening connections to Israel and World Jewry, and making investments in Jewish life, for today and the next generation.

Core Programs - The Federation carries out core programs of advocacy, communications, community security, Israel and World Jewry, Jewish connections, and Jewish legacy:

Advocacy - The Federation advocates on behalf of local Jewish organizations and the broader Jewish community in Olympia and at other levels of government to ensure the community's needs are met and address community priorities, including human services, civil rights, supporting Israel, and combating anti-Semitism.

Communications - The Federation publishes a bimonthly community magazine, Jewish In Seattle, and weekly emails to keep the community informed about upcoming events and news of community interest.

Community Security - The Federation carries out SAFE Washington, providing security communications and preparedness resources to Jewish organizations in Washington State.

Israel and World Jewry - The Federation programs create people-to-people connections between Jews locally and abroad, through investments in Jewish communities in need overseas and visits to our area by Israeli emissaries.

Jewish Connections - The Federation investments support Jewish connections, Jewish camp and teen Israel scholarships, events for Jews in their 30s and 40s, neighborhood Shabbat celebrations, leadership development and PJ Library®, a partnership with the Harold Grinspoon Foundation.

Jewish Legacy - The Federation carries out the LIFE & LEGACY™ training and incentives program, a partnership with the Harold Grinspoon Foundation, to help Jewish agencies build financial endowments.

The Federation provides Special Initiatives Fund grants, including: 1) Ignition Grants for new, one-time or pilot projects; 2) Small Agency Sustainability Grants, providing operational support for small Jewish agencies; and 3) Women's Endowment Fund grants, supporting programs empowering and improving the lives of women and girls locally and in Israel.

General - Annual campaigns are conducted to raise funds for allocation in the subsequent fiscal year. Allocations for the subsequent year are shown as allocations payable. Allocations for internal operations and community programs for the subsequent year are included in unrestricted net assets designated by the Board of Directors.

Principles of Consolidation - The consolidated financial statements also include the Federation's supporting foundations, which include: David & Cathy Habib Foundation, Samuel Israel Foundation and Jewish Day School Foundation. All inter-entity transactions and balances have been eliminated.

**JEWISH FEDERATION OF GREATER SEATTLE
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 1 - Continued

Basis of Presentation - The Federation has presented its financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Federation has presented an unclassified statement of financial position which sequences assets according to their nearness of conversion to cash and sequences liabilities according to the nearness of their maturity and resulting use of cash.

Revenue Recognition - Pledges and contributions are recognized as revenue in the campaign year in which the donor makes the pledge. Allowances are provided for amounts estimated to be uncollectible. Donations of equity securities are recognized at the date of contribution and are measured at their estimated fair value. Equity securities donated to the Federation are sold as soon as it is practical. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Pledges and contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily or permanently restricted support. However, if a restriction is fulfilled - that is, when a stipulated time restriction ends or the purpose restriction is accomplished in the same time period in which the contribution is received, the Federation reports the support as unrestricted. Otherwise, when a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities with consolidating information as net assets released from restrictions.

Unrestricted Net Assets Designated by the Board of Directors - The Board of Directors has designated certain net assets to be used for the purposes described in Note 8.

Restricted Net Assets - The Federation reports unconditional promises to give cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets.

Permanently restricted net assets consist of endowment restricted funds, by which the donor established a fund in perpetuity for the benefit of a specific beneficiary, whereby the principal is to remain intact and the income is temporarily restricted.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are also reported as temporarily restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, the Federation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Tax Status - The Internal Revenue Service (IRS) has determined that the Federation and its supporting foundations are nonprofit organizations exempt from federal taxes on income as entities described in Internal Revenue Code Section 501(c)(3). Accordingly, the Federation is subject to income taxes only on income determined to be unrelated business taxable income. No federal income taxes payable related to endowment fund investments were payable at June 30, 2017 and 2016.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash in banks and highly liquid short-term investments with original maturities of three months or less.

Investments - Investments in debt and equity securities are valued by the custodians at fair value based on published quotations for publicly traded securities or lower of cost or fair value for nonpublicly traded securities and other assets. Realized and unrealized gains and losses on investments are reported in the consolidated statements of activities with consolidating information.

**JEWISH FEDERATION OF GREATER SEATTLE
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 1 - Continued

Funds Held on Behalf of Community Organizations - Accounting principles generally accepted in the United States of America (U.S. GAAP) require that if a not-for-profit organization establishes a designated fund at a federated fundraising organization with its own funds and specifies itself or its affiliate as the beneficiary of that designated fund, the federated fundraising organization must account for the transfer of such assets as if it is holding the funds as an agent of the donor.

Accordingly, the transfer is included in the Federation's assets with an offsetting liability. The liability shown on the consolidated statements of financial position has been established at the fair value of the funds. Activities related to these funds do not affect the change in net assets on the consolidated statements of activities with consolidating information.

In-Kind Contributions - The Federation received donated catering, advertising, printing, legal, consulting, event-related giveaways and software. For the years ended June 30, 2017 and 2016, in-kind contributions were \$21,752 and \$14,060, respectively. For the year ended June 30, 2016, \$9,233 was capitalized for in-kind software and is included in equipment on the consolidated statements of financial position.

Concentration of Credit Risk - Management anticipates no material effect to the Federation's financial position as a result of cash, mutual funds and investments held in banks in excess of the available federally insured amounts. Contributions are primarily received from donors in the Greater Seattle area.

Capitalization and Depreciation - Purchased fixed assets are recorded at cost and donated fixed assets are recorded at fair value on the date received. The Federation capitalizes fixed assets greater than \$1,000. Depreciation is recorded on a straight-line basis over the estimated useful lives of the related assets (improvements 10 - 40 years and equipment 3 - 5 years) using a half-year convention for additions. Tenant improvements are depreciated over the shorter of the useful life or lease term.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Endowment Allocation of Donor Advised Fund - During the years ended June 30, 2017 and 2016, the Board of Directors approved recommendations to allocate donor advised funds of approximately \$490,000 and \$3.6 million, respectively, to unrelated charitable organizations.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities with consolidating information. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Subsequent Events - The Federation has evaluated subsequent events through January 25, 2018, the date on which the consolidated financial statements were available to be issued.

**JEWISH FEDERATION OF GREATER SEATTLE
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 2 - Receivables

Pledges Receivable - Pledges receivable are as follows at June 30:

	<u>2017</u>	<u>2016</u>
Receivables to be collected in less than one year	\$ 1,239,400	\$ 1,549,143
Receivables to be collected in one to five years	37,600	73,900
Thereafter	<u>120,000</u>	<u>127,500</u>
	1,397,000	1,750,543
Less present value discount	<u>(44,255)</u>	<u>(48,186)</u>
	<u><u>\$ 1,352,745</u></u>	<u><u>\$ 1,702,357</u></u>

The present value discount rates range from 0.5% to 3.0% for receivables to be collected in five or fewer years and 3.0% for receivables to be collected in more than five years. The present value discount rate is established annually by the Federation and does not change the discount rate of receivables pledged in prior years.

Outstanding pledges receivable from two donors represented 26% of the pledges receivable balance as of June 30, 2017. There were no pledges receivable concentrations for the year ended June 30, 2016.

Provision for Uncollectible Accounts - Management provides for probable uncollectible pledges through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to pledges receivable.

Notes Receivable - A supporting foundation had a note receivable for the sale of land with a maturity date of September 9, 2016, with an original balance of \$214,000 and interest of 6.5%. The note was paid off in June 2017. The outstanding balance at June 30, 2016 was \$15,670.

During 2014, the Federation received a promissory note from an employee for \$100,000, with an interest rate of 4%. The principal and interest on this note were to be forgiven at an equal rate each year over a period of seven years. The balance at June 30, 2016 was \$57,143. The employee terminated his employment arrangement with the Federation on September 2, 2016, and repaid the remaining principal balance and accrued interest in October 2016.

Partnership Distribution Receivable - Included in the Federation's investments include an ownership interest in a partnership, which is reported using the equity method of accounting. The Federation had a distribution receivable from this partnership of \$287,988 at June 30, 2016. There was no partnership receivable at June 30, 2017.

There were no allowances for doubtful accounts, provisions for losses or loans written off related to the notes receivables and partnership distribution receivable at June 30, 2017 and 2016.

Other Receivables - This balance includes various other miscellaneous receivables.

**JEWISH FEDERATION OF GREATER SEATTLE
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 3 - Investments and Fair Value Measurements

U.S. GAAP defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements. To increase consistency and comparability in fair value measurements, U.S. GAAP uses a fair value hierarchy that prioritizes the inputs to valuation approaches into three broad levels. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Valuation Techniques - Financial assets and liabilities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using Level 3 inputs are primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied.

Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds - Valued at quoted market prices in active markets, which represent the net asset value (NAV) of shares held by the Federation at year end.

Marketable Equity Securities - Valued at the closing price reported on the active market on which the securities are traded.

Marketable Debt Securities - Valued using bid evaluations from similar instruments in actively traded markets.

Although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

There have been no changes in methodologies used at June 30, 2017 and 2016.

**JEWISH FEDERATION OF GREATER SEATTLE
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 3 - Continued

Fair Values Measured on a Recurring Basis - Fair values of investments measured on a recurring basis are as follows:

	Fair Value Measurements as of June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equity securities-				
US large growth	\$ 657,032	\$ -	\$ -	\$ 657,032
US large cap value	272,797			272,797
US mid growth	394,956			394,956
US mid cap value	322,046			322,046
US small growth	230,273			230,273
US small cap value	107,600			107,600
International	609,491			609,491
Emerging markets	62,660			62,660
Other	33,136			33,136
Total equity securities	2,689,991			2,689,991
Mutual funds-				
Equity	24,889,978			24,889,978
Fixed income	15,263,531			15,263,531
International bond	2,397,173			2,397,173
International equity	12,155,687			12,155,687
Total mutual funds	54,706,369			54,706,369
Total Investments at Fair Value	\$ 57,396,360	\$ -	\$ -	\$ 57,396,360

**JEWISH FEDERATION OF GREATER SEATTLE
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 3 - Continued

	Fair Value Measurements as of June 30, 2016			
	Level 1	Level 2	Level 3	Total
Equity securities-				
US large growth	\$ 674,055	\$ -	\$ -	\$ 674,055
US large cap value	191,811			191,811
US mid growth	238,176			238,176
US mid cap value	202,080			202,080
US small growth	108,451			108,451
US small cap value	31,225			31,225
International	648,138			648,138
Emerging markets	453,776			453,776
Other	22,279			22,279
Total equity securities	2,569,991			2,569,991
Mutual funds-				
Equity	24,068,198			24,068,198
Fixed income	15,528,530			15,528,530
International bond	2,377,203			2,377,203
International equity	9,251,207			9,251,207
Total mutual funds	51,225,138			51,225,138
Debt securities-				
Municipal bonds		76,045		76,045
Mortgage-backed		78,223		78,223
Total debt securities		154,268		154,268
Total Investments at Fair Value	\$ 53,795,129	\$ 154,268	\$ -	\$ 53,949,397

Total investments at June 30:

	2017	2016
Investments at fair value	\$ 57,396,360	\$ 53,949,397
Investment in partnership valued using equity method		15,687
Investments in life insurance policies valued using lower of cost or fair value	12,446	13,708
Cash, cash equivalents and CDs	1,889,014	1,784,449
Total Investments	\$ 59,297,820	\$ 55,763,241

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 4 - Allocations and Grants Payable

Allocations and grants payable consists of the following allocations unpaid but expected to be expended as authorized by the Board of Directors at June 30:

	<u>2017</u>	<u>2016</u>
Jewish Federation & Endowment Fund-		
Jewish Federations of North America	\$ 657,161	\$ 731,414
Local organizations	327,048	351,425
Israel & World Jewry	<u>46,492</u>	<u>50,000</u>
	1,030,701	1,132,839
Supporting Foundations-		
Local organizations	<u>515,083</u>	<u>194,718</u>
Total Allocations and Grants Payable	<u>\$ 1,545,784</u>	<u>\$ 1,327,557</u>

Unpaid allocations are as follows at June 30, 2017:

Allocations payable in less than one year	\$ 1,366,451
Allocations payable in one to five years	<u>181,250</u>
	1,547,701
Less present value discount at 1%	<u>(1,917)</u>
	<u>\$ 1,545,784</u>

Note 5 - Split-Interest Agreements

Beneficial Interest in Charitable Lead Annuity Trust - During the year ended June 30, 2012, the Federation's beneficial interest in a testamentary charitable lead annuity trust was funded. The Federation's Endowment Fund will receive quarterly distributions from the trust with the first payment of \$84,425 being due on December 31, 2017, followed by quarterly payments of \$92,102 and a final payment of \$73,681 due on March 14, 2036. The Federation's beneficial interest in this charitable lead annuity trust is recorded at the net present value (discounted at 2.5%) of the distributions on the consolidated statements of financial position and is included as a component of temporarily restricted net assets.

Charitable Remainder Trusts - The Federation is the beneficiary of two charitable remainder trusts administered by the Federation and held at a financial institution. The trusts provide for periodic distributions to designated beneficiaries. The trusts' fair value at June 30, 2017 and 2016, was \$1,563,863 and \$1,447,943, respectively, with an estimated annuity liability of \$1,199,698 and \$1,178,214, respectively. The Federation's interest in the trusts is recorded at net present value using the applicable federal discount rate at the date of the gift and shown on the consolidated statements of financial position as an investment, a liability and temporarily restricted net assets. The Federation's interest in gains or losses in the trusts' value is recognized in the consolidated statements of activities with consolidating information as temporarily restricted activities.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 5 - Continued

Charitable Gift Annuities - The Federation has entered into several Charitable Gift Annuities (CGAs) whereby the donor contributes assets in exchange for distributions for a specified period of time to the donor or other beneficiaries. Assets received are recorded at fair value on the date the gift is funded and a liability equal to the present value of the future distributions is recorded. The difference between the fair value of the assets received and the liability to the donor or other beneficiaries is recognized as contribution revenue. Upon the death of the last/only annuitant, the remaining assets, if any, are disbursed according to the contract governing the CGA. Assets and liabilities under charitable gift annuities are general assets and liabilities of the Federation. CGA assets at June 30, 2017 and 2016 are \$216,237 and \$222,320, respectively, with estimated liabilities of \$125,373 and \$138,987, respectively.

Note 6 - Funds Held on Behalf of Community Organizations

Funds held on behalf of community organizations consist of the following at June 30:

	<u>2017</u>	<u>2016</u>
Hillel Foundation for Jewish Life at the U.W.	\$ 2,630,486	\$ 2,439,517
Jewish Day School	1,377,083	1,198,785
Congregation Beth Shalom	288,857	214,369
Congregation Ezra Bessaroth	186,030	163,359
Washington State Jewish Historical Society	79,521	70,589
Charitable gift annuities	17,889	13,931
	<u><u>\$ 4,579,866</u></u>	<u><u>\$ 4,100,550</u></u>

Note 7 - Retirement Plan

The Federation's employees become eligible to participate in the 401(k) profit sharing plan (the Plan) when they have completed one year of service and have attained the age of 21 years. Participants may contribute compensation up to the maximum amount allowed by law and are immediately vested in these contributions. The Federation may make discretionary contributions to the Plan of up to 5% of the participant's annual salary up to the wage base and 10% above the amount of the taxable wage base. Participants vest in the employer contributions over five years. Both employee and employer contributions are subject to applicable IRS limits. For the years ended June 30, 2017 and 2016, employer contributions to the 401(k) plan were \$21,632 and \$25,903, respectively.

In addition, the Federation's employees become eligible to participate in the 403(b) retirement plan upon hire. Employee contributions are made in accordance with the provisions of the 403(b) plan.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 8 - Net Assets

Unrestricted net assets consist of the following at June 30:

	<u>2017</u>	<u>2016</u>
Undesignated-		
Federation	\$ 1,825,636	\$ 1,349,974
Investment in fixed assets, Federation	<u>319,128</u>	<u>356,126</u>
Total undesignated Jewish Federation fund net assets	2,144,764	1,706,100
Endowment community fund	1,831,360	1,684,823
Supporting foundations ^(a)	<u>5,790,472</u>	<u>6,297,672</u>
Total undesignated net assets	9,766,596	9,688,595
Designated by Board of Directors-		
Designation for subsequent year:		
Internal operations	2,055,145	2,203,995
Community programs	768,877	783,057
Other Federation board designations	<u>78,647</u>	<u>264,000</u>
Total designated Jewish Federation fund net assets	2,902,669	3,251,052
Milk & Honey program ^(b)	297,725	265,377
Board designated endowment ^(c)	5,217,385	4,789,128
C.A.B. Federation Endowment Fund ^(d)	8,574,706	8,010,415
PACE / LOJE funds ^(e)	1,209,336	1,109,369
Emergency Capital Needs Fund ^(f)	567,485	505,372
Endowment other funds	<u>697,777</u>	<u>621,657</u>
Total designated by Board of Directors net assets	19,467,083	18,552,370
Memorial and other funds	2,911,979	2,617,759
Donor Advised Funds ^(g)	<u>10,873,180</u>	<u>10,604,175</u>
Total Unrestricted Net Assets	<u>\$ 43,018,838</u>	<u>\$ 41,462,899</u>

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 8 - Continued

Restricted net assets consist of the following at June 30:

	<u>2017</u>	<u>2016</u>
Temporarily restricted-		
Federation donor funds restricted for a particular purpose	\$ 489,583	\$ 499,480
Endowment donor funds restricted for a particular purpose	12,653,895	11,832,281
Endowment charitable lead annuity trust restricted due to timing of receipt	5,340,638	5,351,842
Endowment charitable gift annuities and charitable remainder trusts	<u>437,141</u>	<u>339,132</u>
Total temporarily restricted net assets	18,921,257	18,022,735
Permanently restricted-		
Endowment funds restricted by donors ^(h)	<u>322,535</u>	<u>322,535</u>
Total Restricted Net Assets	<u>\$ 19,243,792</u>	<u>\$ 18,345,270</u>

- (a) Supporting Foundations allow donors to maintain personal involvement in grant making decisions as a minority member of a Supporting Foundation's board of directors. A Supporting Foundation is a separate charitable organization, which, by affiliation with the Federation, obtains its tax status as a public charity.
- (b) Milk & Honey program is a "Savings Account" type fund for parents to partner with the Federation in order for their child to attend an Israel program. Recipients may receive a maximum of \$1,200 toward the cost of tuition for a peer-based Israel program.
- (c) Board designated endowment is designated for funding operational costs for the Federation based on the current spend policy and is considered a quasi-endowment (Note 10).
- (d) C.A.B. Federation Endowment Fund represents the net proceeds from the sale of the building located at 2031 3rd Ave, Seattle, which has been designated for occupancy and other operation costs of the Federation.
- (e) Perpetual Annual Campaign Endowment Funds (PACE) and Lion of Judah Endowment Funds (LOJE) allow donors to endow their annual gift to the Federation in perpetuity and are considered a quasi-endowments (Note 10).
- (f) Emergency Capital Needs Fund assists Western Washington Jewish community institutions, organizations, and synagogues with emergency capital repairs or replacements, including physical plant equipment and security improvements. The fund also provides funding for Federation operational costs based on the current spend policy.
- (g) Donor advised funds are established by donors with unrestricted, irrevocable gifts made for the exclusive purpose of charitable giving. During their lifetime, donors may recommend grants to charitable organizations in accordance with the Federation's policies and procedures for operation of donor advised funds. Donors may choose to have the fund continue beyond their lifetime by naming their family and/or loved ones as successor advisors. Donors may also choose to have the fund convert to a memorial or PACE/LOJE fund, making gifts in their honor in perpetuity. Donors can also provide a list of grants that will be made upon their death.
- (h) Permanently restricted net assets consist of endowment restricted funds where the donor has established a fund which restricts the corpus in perpetuity. The income from these funds is restricted by the donors for educational and community purposes.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 8 - Continued

Net asset transfers for the year ended June 30, 2017, are as follows:

	Jewish Federation Funds	Endowment Fund
	<u> </u>	<u> </u>
Transfer of board approved Endowment fund to Federation	\$ 122,424	\$ (122,424)

Net asset transfers for the year ended June 30, 2016, are as follows:

	Jewish Federation Funds	Endowment Fund
	<u> </u>	<u> </u>
Transfer of board approved Federation Contingency Fund to Endowment Fund	\$ (56,164)	\$ 56,164

Note 9 - Related Party Transactions

The Federation has normal business relationships with several organizations that are owned by Federation board members. The relationships were entered into in the ordinary course of business.

Note 10 - Endowments

The Federation's endowments consist of donor-restricted funds established for a variety of purposes and two board designated quasi-endowments as described in Note 8. As required by U.S. GAAP, net assets associated with permanently restricted endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Federation has interpreted the Washington State Prudent Management of Institutional Funds Act (PMIFA) 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. As a result of this interpretation, the Federation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Federation in a manner consistent with the standard of prudence prescribed by PMIFA. In accordance with PMIFA, the Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the Federation and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Federation; and
- The investment policies of the Federation.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 10 - Continued

Changes to donor restricted endowment net assets are as follows for the year ended June 30:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2015	\$ 6,066,471	\$ 73,069	\$ 322,535	\$ 6,462,075
Endowment investment return-				
Interest and dividends	327,763	16,536		344,299
Realized and unrealized losses	<u>(272,798)</u>	<u>(13,756)</u>		<u>(286,554)</u>
Total endowment investment return	54,965	2,780		57,745
Board designations	12,050			12,050
Appropriation of endowment for expenditure	<u>(234,989)</u>	<u>(14,410)</u>		<u>(249,399)</u>
Endowment Net Assets, June 30, 2016	<u>5,898,497</u>	<u>61,439</u>	<u>322,535</u>	<u>6,282,471</u>
Endowment investment return-				
Interest and dividends	202,476	13,643		216,119
Realized and unrealized gains	<u>562,038</u>	<u>27,726</u>		<u>589,764</u>
Total endowment investment return	764,514	41,369		805,883
Board designations	22,336			22,336
Appropriation of endowment for expenditure	<u>(258,626)</u>	<u>(12,089)</u>		<u>(270,715)</u>
Endowment Net Assets, June 30, 2017	<u>\$ 6,426,721</u>	<u>\$ 90,719</u>	<u>\$ 322,535</u>	<u>\$ 6,839,975</u>

Funds With Deficiencies - From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or PMIFA requires the Federation to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in unrestricted net assets. At June 30, 2017 and 2016, there were no deficiencies.

Return Objectives and Risk Parameters - The return objectives of the endowments (the Fund) reflect the trade-off between the risk and expected return considered the most appropriate for the total Fund as differentiated from the individual objectives of any one fund. The overall portfolio objective is sufficient growth of capital to maintain or improve the purchasing power of the Fund over time while allowing distributions to fund gifting programs in accordance with the desires of contributors to the Fund. In addition to preserving and enhancing the value of the Fund, the Fund is administered and managed in such a manner as to be responsible to the needs of the donors and of the Jewish community and to maintain the highest standards of professionalism and responsibility.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 10 - Continued

Strategies Employed for Achieving Objectives - To satisfy its long-term rate-of-return objectives, the 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). The Federation utilizes a diversified asset allocation that places an 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 - Each endowment fund has its own spending policy built into the contract that established the fund. Some of these funds spend a flat rate each year while others spend no more than their net income for the year. The Federation's spending policy was 4.5% of the rolling sixteen quarter average in fiscal years 2017 and 2016. For funds that have been in existence for fewer than sixteen quarters, the percentage is applied to all quarters that the fund has been in existence. In choosing this percentage, the Federation considered the long-term expected return on its endowment. This is consistent with the Federation's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

Note 11 - Building Sale and Leaseback

The Federation sold its building located at 2031 3rd Ave, Seattle to MSRE Management, LLC on October 22, 2014. At the time of the sale, the Federation entered into a leaseback agreement for the same property commencing on the closing date. As a result of the leaseback, the Federation recorded prepaid expense of \$83,138 as of June 30, 2016. During June 2016, the Federation entered into a new lease agreement for office space (Note 13).

Note 12 - Jewish in Seattle Magazine

The Federation entered into a publication agreement with SagaCity Media (SagaCity) effective January 23, 2015. Under this agreement SagaCity publishes Jewish in Seattle magazine, to be sent to Federation donors, to address and examine issues of interest to its members, affiliates and the community. SagaCity is responsible for performing advertising sales, administrative support, editorial, design, photos and printing of the magazine. SagaCity is responsible for all production expenses and collects all advertising sales revenue. If advertising sales revenues fall short of projections for any annual publication cycle, SagaCity reserves the right to assess a production fee to the Federation to help cover the cost of production expenses. The amount of such production fee shall be no greater than 20% of the actual revenue shortfall under the advertising sales minimum of \$400,000 and in no event shall the production fee exceed \$10,000 for any publication cycle. For the years ended June 30, 2017 and 2016, the Federation incurred no such production fee. Should advertising sales revenue exceed projections for any annual publication cycle, SagaCity will share 25% of the actual excess advertising revenue over the projected revenue amount (\$450,000 for the first publication cycle). The agreement expires June 30, 2018.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2017 and 2016**

Note 13 - Commitments

Operating Lease - The Federation has a noncancelable operating lease agreement for office space which expires September 30, 2019.

Future minimum rental payments under the noncancelable operating lease are as follows:

For the Year Ending June 30,

2018	\$	170,775
2019		176,715
2020		<u>44,550</u>
	\$	<u><u>392,040</u></u>

Rent expense for the year ended June 30, 2017 was \$192,936.

SUPPLEMENTARY INFORMATION

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**

**Schedule of Functional Expenses
For the Year Ended June 30, 2017 (With Comparative Totals for 2016)**

Total expenses of the Federation, excluding Supporting Foundation expenses and prior to eliminations, are allocated based on its functional activities as follows for the year ended June 30, 2017:

	Community Programs*	Fundraising	Management and General	2017 Total	2016 Total
Salaries and benefits	\$ 1,137,590	\$ 522,697	\$ 306,388	\$ 1,966,675	\$ 2,190,545
Endowment administrative fees	480,041			480,041	469,668
Occupancy	195,250	49,174	40,566	284,990	311,725
Professional services	149,557	10,617	55,938	216,112	172,851
Events/meetings/conferences	139,422	51,779	14,466	205,667	340,864
Postage and printing	45,823	38,221	12,555	96,599	128,603
Dues and subscriptions	88,286	387	1,211	89,884	79,068
Computer and technology	55,981	12,170	10,916	79,067	101,456
Depreciation	29,798	8,005	6,671	44,474	33,093
Professional development/travel	32,229	5,944	492	38,665	79,143
Advertising/PR/marketing	18,210	3,184	16,352	37,746	26,305
Miscellaneous	28,331	240	5,700	34,271	32,693
Office and telephone	15,846	4,117	12,660	32,623	39,406
In-kind expenses	10,846	8,474	2,432	21,752	4,827
Insurance	7,795	2,094	10,783	20,672	27,825
Taxes and licenses	9,473	1,261	1,222	11,956	25,418
	<u>\$ 2,444,478</u>	<u>\$ 718,364</u>	<u>\$ 498,352</u>	<u>\$ 3,661,194</u>	<u>\$ 4,063,490</u>

* The community programs include #NWIsraelfest, Advanced Leadership Development Program (ALDP), Cardozo Society, Community Research, Government Relations and Public Affairs, Israeli Emissaries, Jewish In Seattle community magazine, Jewish overnight camp scholarships, Life & Legacy, PAVE Seattle, PJ Library, Pop-Up Shabbats, SAFE Washington, the Seattle Jewish Community Endowment Fund (Endowment Fund) and Teen Israel Experience scholarships.

See independent auditor's report.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**
Consolidating Schedule of Financial Position
June 30, 2017
(With Comparative Totals for 2016)

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	2017 Total	2016 Total
Assets					
Cash and cash equivalents	\$ 3,653,559	\$ -	\$ -	\$ 3,653,559	\$ 3,261,398
Receivables:					
Pledges	1,352,745			1,352,745	1,702,357
Partnership distribution					287,988
Notes					72,813
Other	17,654	46,491		64,145	78,995
	1,370,399	46,491		1,416,890	2,142,153
Less provision for uncollectible accounts	(184,143)			(184,143)	(225,082)
Total Receivables	1,186,256	46,491		1,232,747	1,917,071
Prepaid expenses	103,738			103,738	153,925
Investments	1,501,662	51,490,603	6,305,555	59,297,820	55,763,241
Beneficial interest in charitable lead annuity trust		5,340,638		5,340,638	5,351,842
Furniture, Equipment and Tenant Improvements:					
Tenant improvements	156,668			156,668	220,583
Furniture and equipment	302,012			302,012	405,415
Donated artwork (not depreciable)	192,000			192,000	201,170
	650,680			650,680	827,168
Less accumulated depreciation	(331,552)			(331,552)	(471,042)
Total Furniture, Equipment and Tenant Improvements	319,128			319,128	356,126
Total Assets	\$ 6,764,343	\$ 56,877,732	\$ 6,305,555	\$ 69,947,630	\$ 66,803,603

See independent auditor's report.

**JEWISH FEDERATION OF GREATER SEATTLE
AND SUPPORTING FOUNDATIONS**
Consolidating Schedule of Financial Position
June 30, 2017
(With Comparative Totals for 2016)

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	2017 Total	2016 Total
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	\$ 202,626	\$ 31,653	\$ -	\$ 234,279	\$ 250,126
Allocations and grants payable	1,024,701	6,000	515,083	1,545,784	1,327,557
Liabilities under split interest agreements		1,325,071		1,325,071	1,317,201
Funds held on behalf of community organizations		4,579,866		4,579,866	4,100,550
Total Liabilities	1,227,327	5,942,590	515,083	7,685,000	6,995,434
Net Assets:					
Unrestricted-					
Undesignated	2,144,764	1,831,360	5,790,472	9,766,596	9,688,595
Designated by Board of Directors	2,902,669	16,564,414		19,467,083	18,552,370
Memorial and other funds		2,911,979		2,911,979	2,617,759
Donor advised funds		10,873,180		10,873,180	10,604,175
Total unrestricted	5,047,433	32,180,933	5,790,472	43,018,838	41,462,899
Restricted-					
Temporarily restricted	489,583	18,431,674		18,921,257	18,022,735
Permanently restricted		322,535		322,535	322,535
Total restricted	489,583	18,754,209		19,243,792	18,345,270
Total Net Assets	5,537,016	50,935,142	5,790,472	62,262,630	59,808,169
Total Liabilities and Net Assets	\$ 6,764,343	\$ 56,877,732	\$ 6,305,555	\$ 69,947,630	\$ 66,803,603

See independent auditor's report.