

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

Consolidated Financial Statements

For the Years Ended June 30, 2018 and 2017

## Table of Contents

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	Page
<b>Independent Auditor's Report</b>	1 - 2
<b>Financial Statements:</b>	
Consolidated Statements of Financial Position	3 - 4
Consolidated Statements of Activities With Consolidating Information	5 - 7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9 - 22
<b>Supplementary Information:</b>	
Schedule of Functional Expenses	23
Consolidating Schedule of Financial Position	24 - 25

## **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, 2018 and 2017, 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, 2018 and 2017, 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 pages 23 through 25 are presented for the 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, and 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 applied 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  
November 29, 2018

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

**Consolidated Statements of Financial Position - Assets  
June 30, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 2,903,323	\$ 3,653,559
<b>Receivables:</b>		
Pledges (Note 2)	1,793,528	1,352,745
Bequest	76,989	
Other	55,691	64,145
	<u>1,926,208</u>	<u>1,416,890</u>
Less provision for uncollectible amounts	<u>(189,537)</u>	<u>(184,143)</u>
<b>Total Receivables</b>	<b>1,736,671</b>	<b>1,232,747</b>
Prepaid expenses	89,475	103,738
Investments (Note 3)	70,676,010	59,297,820
Land held for sale (Note 6)	920,000	
Beneficial interest in charitable lead annuity trust (Note 5)	5,326,064	5,340,638
<b>Furniture, Equipment and Tenant Improvements:</b>		
Tenant improvements	165,571	156,668
Furniture and equipment	292,295	302,012
Donated artwork	192,000	192,000
	<u>649,866</u>	<u>650,680</u>
Less accumulated depreciation	<u>(342,593)</u>	<u>(331,552)</u>
<b>Total Furniture, Equipment and Tenant Improvements</b>	<b>307,273</b>	<b>319,128</b>
<b>Total Assets</b>	<b><u>\$ 81,958,816</u></b>	<b><u>\$ 69,947,630</u></b>

See accompanying notes.

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

**Consolidated Statements of Financial Position - Liabilities and Net Assets  
June 30, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 403,414	\$ 234,279
Grants payable (Note 4)	1,345,275	1,545,784
Liabilities under split-interest agreements (Note 5)	1,156,564	1,325,071
Funds held on behalf of community organizations (Note 7)	<u>4,911,153</u>	<u>4,579,866</u>
<b>Total Liabilities</b>	<b>7,816,406</b>	<b>7,685,000</b>
<b>Net Assets (Note 9):</b>		
Unrestricted-		
Undesignated	11,465,842	9,766,596
Designated by Board of Directors	20,661,299	19,467,083
Memorial and other funds	10,936,574	2,911,979
Donor advised funds	<u>11,185,915</u>	<u>10,873,180</u>
Total unrestricted	54,249,630	43,018,838
Restricted-		
Temporarily restricted	19,570,245	18,921,257
Permanently restricted	<u>322,535</u>	<u>322,535</u>
Total restricted	<u>19,892,780</u>	<u>19,243,792</u>
<b>Total Net Assets</b>	<b><u>74,142,410</u></b>	<b><u>62,262,630</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 81,958,816</u></b>	<b><u>\$ 69,947,630</u></b>

See accompanying notes.

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

**Consolidated Statements of Activities With Consolidating Information  
For the Years Ended June 30, 2018 and 2017**

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	Consolidating Entries	2018 Total	2017 Total
<b>Change in Unrestricted Net Assets:</b>						
Public support and revenue-						
Public support:						
Contributions, annual campaign	\$ 3,434,514	\$ -	\$ -	\$ (1,293,363)	\$ 2,141,151	\$ 1,782,678
Contributions, other	287,987	10,284,677	1,025,049	(161,772)	11,435,941	1,379,539
Adjustment to provision for uncollectible amounts	(27,770)				(27,770)	(24,968)
<b>Total public support</b>	<b>3,694,731</b>	<b>10,284,677</b>	<b>1,025,049</b>	<b>(1,455,135)</b>	<b>13,549,322</b>	<b>3,137,249</b>
Revenue-						
Investment income, net of fees of \$113,618 (2017 - \$112,990)	22,222	2,106,241	220,922		2,349,385	1,248,138
Net realized/unrealized gains on investments	1,117	685,167	421,135		1,107,419	3,661,878
Special events	79,369			(7,042)	72,327	48,621
Other income/loss	489,992			(451,361)	38,631	(35,260)
<b>Total revenue</b>	<b>592,700</b>	<b>2,791,408</b>	<b>642,057</b>	<b>(458,403)</b>	<b>3,567,762</b>	<b>4,923,377</b>
Net assets released from restrictions	599,853	804,517			1,404,370	1,083,242
<b>Total Public Support and Revenue</b>	<b>4,887,284</b>	<b>13,880,602</b>	<b>1,667,106</b>	<b>(1,913,538)</b>	<b>18,521,454</b>	<b>9,143,868</b>

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, 2018 and 2017**

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	Consolidating Entries	2018 Total	2017 Total
<b>Grants, Programs and Expenses:</b>						
Grants-						
Federation grants	1,245,073			(792)	1,244,281	1,318,332
Endowment grants		3,623,718		(1,426,385)	2,197,333	1,887,926
Supporting foundation grants			528,533	(35,000)	493,533	1,270,465
<b>Total grants</b>	<b>1,245,073</b>	<b>3,623,718</b>	<b>528,533</b>	<b>(1,462,177)</b>	<b>3,935,147</b>	<b>4,476,723</b>
Programs and expenses-						
Community programs	2,050,123	568,714		(393,409)	2,225,428	2,067,949
Fundraising	706,358				706,358	718,364
Management and general	551,748		74,933	(57,952)	568,729	507,723
<b>Total programs and expenses</b>	<b>3,308,229</b>	<b>568,714</b>	<b>74,933</b>	<b>(451,361)</b>	<b>3,500,515</b>	<b>3,294,036</b>
<b>Total Grants, Programs and Expenses</b>	<b>4,553,302</b>	<b>4,192,432</b>	<b>603,466</b>	<b>(1,913,538)</b>	<b>7,435,662</b>	<b>7,770,759</b>
<b>Change in Unrestricted Net Assets Before Transfers</b>	<b>333,982</b>	<b>9,688,170</b>	<b>1,063,640</b>		<b>11,085,792</b>	<b>1,373,109</b>
Transfers (Note 9)	226,000	(81,000)			145,000	182,830
<b>Change in Unrestricted Net Assets</b>	<b>559,982</b>	<b>9,607,170</b>	<b>1,063,640</b>		<b>11,230,792</b>	<b>1,555,939</b>

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, 2018 and 2017**

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	Consolidating Entries	2018 Total	2017 Total
<b>Change in Unrestricted Net Assets</b>	<b>559,982</b>	<b>9,607,170</b>	<b>1,063,640</b>		<b>11,230,792</b>	<b>1,555,939</b>
<b>Change in Temporarily Restricted Net Assets:</b>						
Contributions	736,698	349,678			1,086,376	617,080
Investment income, net of fees of \$31,950 (2017 - \$28,948)		728,152			728,152	416,156
Net realized/unrealized gains on investments		308,384			308,384	1,232,486
Change in value of split-interest agreements, net of payments to beneficiaries		75,446			75,446	(101,128)
Transfers (Note 9)		(145,000)			(145,000)	(182,830)
Net assets released from restrictions	(599,853)	(804,517)			(1,404,370)	(1,083,242)
<b>Change in Temporarily Restricted Net Assets</b>	<b>136,845</b>	<b>512,143</b>			<b>648,988</b>	<b>898,522</b>
<b>Change in Net Assets</b>	<b>696,827</b>	<b>10,119,313</b>	<b>1,063,640</b>		<b>11,879,780</b>	<b>2,454,461</b>
<b>Net Assets, Beginning of Year:</b>						
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
<b>Total Net Assets, Beginning of Year</b>	<b>5,537,016</b>	<b>50,935,142</b>	<b>5,790,472</b>		<b>62,262,630</b>	<b>59,808,169</b>
<b>Net Assets, End of Year:</b>						
Unrestricted	5,607,415	41,788,103	6,854,112		54,249,630	43,018,838
Temporarily restricted	626,428	18,943,817			19,570,245	18,921,257
Permanently restricted		322,535			322,535	322,535
<b>Total Net Assets, End of Year</b>	<b>\$ 6,233,843</b>	<b>\$ 61,054,455</b>	<b>\$ 6,854,112</b>	<b>\$ -</b>	<b>\$ 74,142,410</b>	<b>\$ 62,262,630</b>

See accompanying notes.

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

**Consolidated Statements of Cash Flows  
For the Years Ended June 30, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
<b>Operating Activities:</b>		
Change in net assets	\$ 11,879,780	\$ 2,454,461
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities-		
Depreciation	39,883	44,474
Loss on disposal of equipment		71,794
Donated land	(1,025,000)	
Net realized/unrealized gains on investments	(1,415,803)	(4,894,364)
Gain on sale of donated land	(21,489)	
Change in value of beneficial interest in charitable lead annuity trust	14,574	11,204
Cash changes in operating assets and liabilities:		
Pledges receivable	(435,389)	308,673
Bequests receivable	(76,989)	
Partnership distribution receivable		287,988
Other receivables	8,454	14,850
Prepaid expenses	14,263	50,187
Accounts payable and accrued expenses	169,135	(15,847)
Grants payable	(200,509)	218,227
Liabilities under split interest agreements	(168,507)	7,870
Funds held on behalf of community organizations	331,287	479,316
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>9,113,690</b>	<b>(961,167)</b>
<b>Investing Activities:</b>		
Proceeds from sales of investments	5,222,414	5,723,138
Purchase of investments	(15,184,801)	(4,363,353)
Purchase of equipment	(28,028)	(79,270)
Proceeds from sale of donated land (Note 6)	126,489	
Payments received from notes receivable		72,813
<b>Net Cash (Used in) Provided by Investing Activities</b>	<b>(9,863,926)</b>	<b>1,353,328</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(750,236)</b>	<b>392,161</b>
Cash and cash equivalents, beginning of year	3,653,559	3,261,398
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 2,903,323</b>	<b>\$ 3,653,559</b>
<b>Supplementary Cash Flow Information:</b>		
Donated land	\$ 1,025,000	\$ -
Cash paid for taxes	\$ 11,290	

See accompanying notes.

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

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**Note 1 - Summary of Significant Accounting Policies**

**Mission** - The Jewish Federation of Greater Seattle (the Federation) lead 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 and services that support community organizations and our community at-large. The Federation invests in low-barrier, high-impact on-ramps to Jewish life, leadership development, and support our connection to our Jewish community in Israel and overseas:

Community Voice - The Federation provides programs and services that support our community organizations and community-at-large. The Government and Community Affairs team educates decision-makers in Olympia about priorities in the Jewish community. The Federation serves as the hub of SAFE Washington, a program which leverages its strong relationships with law enforcement agencies to alert our community to threats and offer preparedness resources and training, free of charge. The Federation brings together community leaders to address cross-communal challenges and shares community stories through the award-winning Jewish In Seattle magazine. Through the Seattle Jewish Community Endowment Fund and the LIFE & LEGACY™ program, Federation builds a strong Jewish future for generations to come.

Israel and World Jewry - The projects the Federation funds overseas provide food for the hungry, health care for the sick, and support for Israeli immigrants in crisis. Through funding of the Jewish Agency for Israel (JAFI) and the Joint Distribution Committee (JDC), the Federation serves the global Jewish community. The Federation helps individuals make meaningful connections to Israel through its Teen Israel scholarships, People-to-People programs in the Puget Sound region and by organizing community trips to Israel.

Investment in Jewish Life - The Federation offers programming to individuals, providing low-barrier high-impact on-ramps to Jewish life, as well as, leadership development. PJ Library® and PJ Our Way® gives young families access to books that foster Jewish involvement and connection. The Camp Scholarships Program assists children in attending Jewish overnight camp. The PAVE program provides newcomers, those in their 30's and 40's, and others not yet connected with on-ramps to Jewish life. Through its Advanced Leadership Development Program (ALDP), the Federation offers leadership development training to community members to enable them to take on leadership responsibilities at Puget Sound region Jewish organizations.

The Federation through the Seattle Jewish Community Endowment Fund provide 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. Additionally, Federation, Seattle Jewish Community Endowment Fund, and supporting foundations are a significant source of grants that support social, educational and cultural services in the Puget Sound region, the U.S., and overseas. Grants were awarded to a broad range of Jewish and secular organizations that help families in need, provide school and camp scholarships, and strengthen community life in numerous other ways.

**General** - Annual campaigns are conducted to raise funds in one year to use in the subsequent year in order to carry out our core programs of serving as the community voice, strengthening connections to Israel and World Jewry, and making investments in Jewish life, for today and the next generation.

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

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**Note 1 - Continued**

**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 Supporting Foundation. All inter-entity transactions and balances have been eliminated.

**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 9.

**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. Federal income taxes payable related to endowment fund investments were \$125,631 and \$0 at June 30, 2018 and 2017. Delaware state income taxes payable related to endowment fund investments were \$36,884 and \$0 at June 30, 2018 and 2017.

**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.

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

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**Note 1 - Continued**

**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.

**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 catering, advertising, printing, legal, consulting, event-related giveaways and software. For the years ended June 30, 2018 and 2017, in-kind contributions were \$10,300 and \$21,752, respectively.

**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. Donated art is nondepreciable.

**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.

**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 November 29, 2018, the date on which the consolidated financial statements were available to be issued.

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

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**Note 2 - Receivables**

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

	<u>2018</u>	<u>2017</u>
Receivables to be collected in less than one year	\$ 1,286,280	\$ 1,239,400
Receivables to be collected in one to five years	457,500	37,600
Thereafter	<u>112,500</u>	<u>120,000</u>
	1,856,280	1,397,000
Less present value discount	<u>(62,752)</u>	<u>(44,255)</u>
	<u><b>\$ 1,793,528</b></u>	<u><b>\$ 1,352,745</b></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 one donor represented 30% of the pledges receivable balance as of June 30, 2018. Outstanding pledges receivable from two donors represented 26% of the pledges receivable balance as of June 30, 2017.

**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.

**Other Receivables** - This balance includes various other miscellaneous receivables.

**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.

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

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**Note 3 - Continued**

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, 2018 and 2017.

Total investments at June 30:

	<u>2018</u>	<u>2017</u>
Investments at fair value	\$ 67,754,441	\$ 57,396,360
Investment in partnership valued using equity method	122,856	
Investments in life insurance policies valued using lower of cost or fair value	12,058	12,446
Cash, cash equivalents and CDs	<u>2,786,655</u>	<u>1,889,014</u>
<b>Total Investments</b>	<b><u><u>\$ 70,676,010</u></u></b>	<b><u><u>\$ 59,297,820</u></u></b>

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

**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, 2018			
	Level 1	Level 2	Level 3	Total
Equity securities-				
US large growth	\$ 1,125,428	\$ -	\$ -	\$ 1,125,428
US large cap value	116,329			116,329
US mid growth	61,559			61,559
US mid cap value	536,027			536,027
US small growth	25,200			25,200
US small cap value	321,469			321,469
International	597,226			597,226
Emerging markets	13,955			13,955
Other	9,951			9,951
Total equity securities	2,807,144			2,807,144
Mutual funds-				
Equity	24,964,893			24,964,893
Fixed income	20,282,994			20,282,994
International bond	3,041,576			3,041,576
International equity	16,656,334			16,656,334
Total mutual funds	64,945,797			64,945,797
Debt securities-				
Israel bonds		1,500		1,500
Total debt securities		1,500		1,500
<b>Total Investments at Fair Value</b>	<b>\$ 67,752,941</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ 67,754,441</b>



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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

**Note 3 - Continued**

	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
<b>Total equity securities</b>	<b>2,689,991</b>			<b>2,689,991</b>
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
<b>Total mutual funds</b>	<b>54,706,369</b>			<b>54,706,369</b>
<b>Total Investments at Fair Value</b>	<b>\$ 57,396,360</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 57,396,360</b>

**Note 4 - Grants Payable**

Grants payable consists of the following grants as authorized by the Board of Directors at June 30:

	2018	2017
Jewish Federation and Endowment Fund-		
Jewish Federations of North America	\$ 154,470	\$ 110,577
Local organizations	281,495	327,048
Israel and World Jewry	557,367	593,076
	993,332	1,030,701
Supporting Foundations-		
Local organizations	351,943	515,083
<b>Total Grants Payable</b>	<b>\$ 1,345,275</b>	<b>\$ 1,545,784</b>

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

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**Note 4 - Continued**

Unpaid grants are as follows at June 30, 2018:

Grants payable in less than one year	\$ 1,323,166
Grants payable in one to five years	<u>22,500</u>
	1,345,666
Less present value discounted at 1% and 2.75%	<u>(391)</u>
	<u><u>\$ 1,345,275</u></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 in December 2017, followed by quarterly payments of \$92,102 and a final payment of \$73,681 due 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 future distributions, \$5,326,064 and \$5,340,638 at June 30, 2018 and 2017, respectively, and is included 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, 2018 and 2017, was \$1,613,244 and \$1,563,863, respectively, with an estimated annuity liability of \$1,114,888 and \$1,199,698, 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.

**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, 2018 and 2017 are \$77,014 and \$216,237, respectively, with estimated liabilities of \$41,676 and \$125,373, respectively.

**Note 6 - Land Held for Sale**

During the year ended June 30, 2018, 14 parcels of land were contributed by SAMIS Land Company to Samuel Israel Foundation totaling \$1,025,000. The value was derived from a market value appraisal. Five of the parcels valued at \$105,000 were sold for \$126,489. At June 30, 2018, the remaining nine parcels of land, valued at \$920,000, are held for sale.

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

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**Note 7 - Funds Held on Behalf of Community Organizations**

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

	<u>2018</u>	<u>2017</u>
Hillel Foundation for Jewish Life at the U.W.	\$ 2,675,731	\$ 2,630,486
Jewish Day School	1,477,294	1,377,083
Congregation Beth Shalom	301,743	288,857
Congregation Ezra Bessaroth	199,987	186,030
Temple Beth Or	99,456	
Washington State Jewish Historical Society	84,894	79,521
Kol Ami Legacy Fund	27,381	
Herzl-Ner Tamid Endowment Fund	24,939	
Charitable gift annuities	19,728	17,889
	<u><u>\$ 4,911,153</u></u>	<u><u>\$ 4,579,866</u></u>

**Note 8 - 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, 2018 and 2017, employer contributions to the 401(k) plan were \$12,494 and \$23,192, 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, 2018 and 2017**

**Note 9 - Net Assets**

Unrestricted net assets consist of the following at June 30:

	<u>2018</u>	<u>2017</u>
Undesignated-		
Federation	\$ 2,306,568	\$ 1,825,636
Investment in fixed assets, Federation	<u>307,273</u>	<u>319,128</u>
Total undesignated Jewish Federation fund net assets	2,613,841	2,144,764
Special Initiatives Fund	1,997,889	1,831,360
Supporting Foundations <sup>(a)</sup>	<u>6,854,112</u>	<u>5,790,472</u>
Total undesignated net assets	11,465,842	9,766,596
Designated by Board of Directors-		
Designation for subsequent year:		
Internal operations	1,789,376	2,055,145
Community programs	1,089,083	768,877
Other Federation board designations	<u>115,115</u>	<u>78,647</u>
Total designated Jewish Federation fund net assets	2,993,574	2,902,669
Milk and Honey program <sup>(b)</sup>	236,915	297,725
Federation Endowment Fund <sup>(c)</sup>	5,804,390	5,217,385
C.A.B. Federation Endowment Fund <sup>(d)</sup>	8,804,497	8,574,706
PACE / LOJE funds <sup>(e)</sup>	1,513,259	1,209,336
Emergency Capital and Contingency funds <sup>(f)</sup>	557,847	567,485
Endowment other funds	<u>750,817</u>	<u>697,777</u>
Total designated by Board of Directors net assets	20,661,299	19,467,083
Memorial and other funds	10,936,574	2,911,979
Donor advised funds <sup>(g)</sup>	<u>11,185,915</u>	<u>10,873,180</u>
<b>Total Unrestricted Net Assets</b>	<b><u>\$ 54,249,630</u></b>	<b><u>\$ 43,018,838</u></b>

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

**Notes to Consolidated Financial Statements  
For the Years Ended June 30, 2018 and 2017**

**Note 9 - Continued**

Restricted net assets consist of the following at June 30:

	<u>2018</u>	<u>2017</u>
Temporarily restricted-		
Federation donor funds restricted for a particular purpose	\$ 626,428	\$ 489,583
Endowment donor funds restricted for a particular purpose	13,106,952	12,653,895
Endowment charitable lead annuity trust restricted due to timing of receipt	5,326,064	5,340,638
Endowment charitable gift annuities and charitable remainder trusts	<u>510,801</u>	<u>437,141</u>
Total temporarily restricted net assets	19,570,245	18,921,257
Permanently restricted-		
Endowment funds restricted by donors <sup>(h)</sup>	<u>322,535</u>	<u>322,535</u>
<b>Total Restricted Net Assets</b>	<b><u>\$ 19,892,780</u></b>	<b><u>\$ 19,243,792</u></b>

- (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 and 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) Federation Endowment Fund 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 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 quasi-endowments (Note 10).
- (f) Emergency Capital and Contingency funds assist Puget Sound region Jewish community institutions, organizations, and synagogues with emergency capital repairs or replacements, including physical plant equipment and security improvements. These funds also provide 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, 2018 and 2017**

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**Note 9 - Continued**

Board approved net asset transfers for the year ended June 30, 2018, are as follows:

	Jewish Federation Funds	Endowment Fund
	<u>                    </u>	<u>                    </u>
Endowment Milk and Honey fund to Federation	\$ 81,000	\$ (81,000)
Endowment PACE fund to Federation	145,000	(145,000)
	<u><b>\$ 226,000</b></u>	<u><b>\$ (226,000)</b></u>

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

	Jewish Federation Funds	Endowment Fund
	<u>                    </u>	<u>                    </u>
Endowment PACE fund to Federation	<u><b>\$ 122,424</b></u>	<u><b>\$ (122,424)</b></u>

**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 9. 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, 2018 and 2017**

**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, 2016	\$ 5,898,497	\$ 61,439	\$ 322,535	\$ 6,282,471
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>
<b>Endowment Net Assets, June 30, 2017</b>	<b><u>6,426,721</u></b>	<b><u>90,719</u></b>	<b><u>322,535</u></b>	<b><u>6,839,975</u></b>
Endowment investment return-				
Interest and dividends	376,735	18,226		394,961
Realized and unrealized gains	<u>180,270</u>	<u>5,932</u>		<u>186,202</u>
Total endowment investment return	557,005	24,158		581,163
Board designations	623,756			623,756
Appropriation of endowment for expenditure	<u>(289,833)</u>	<u>(26,578)</u>		<u>(316,411)</u>
<b>Endowment Net Assets, June 30, 2018</b>	<b><u>\$ 7,317,649</u></b>	<b><u>\$ 88,299</u></b>	<b><u>\$ 322,535</u></b>	<b><u>\$ 7,728,483</u></b>

**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, 2018 and 2017, 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, 2018 and 2017**

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**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 2018 and 2017. 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 - Jewish in Seattle Magazine**

The Federation has a publication agreement with SagaCity Media (SagaCity) for the award-winning Jewish in Seattle Magazine, which was renewed effective July 9, 2018. The magazine is distributed broadly with SagaCity maintaining responsibility for advertising sales, editorial, design, printing and distribution. Should advertising sales fall short of projections for the annual publication cycle, SagaCity reserves the right to assess a production fee no greater than 20% of the actual revenue shortfall and not to exceed \$10,000 for any production cycle. The agreement expires June 30, 2021.

**Note 12 - 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,

2019	\$	176,715
2020		<u>44,550</u>
	\$	<u><u>221,265</u></u>

Rent expense for the years ended June 30, 2018 and 2017 was \$167,929 and \$192,936, respectively.



**SUPPLEMENTARY INFORMATION**

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

**Schedule of Functional Expenses  
For the Year Ended June 30, 2018  
(With Comparative Totals for 2017)**

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

	Community Programs*	Fundraising	Management and General	2018 Total	2017 Total
Salaries and benefits	\$ 1,207,127	\$ 495,129	\$ 350,540	\$ 2,052,796	\$ 1,966,675
Endowment administrative fees	505,055			505,055	480,041
Taxes and licenses	177,794	1,277	947	180,018	11,956
Events/meetings/conferences	147,533	70,187	24,894	242,614	205,667
Professional services	121,281	20,329	52,205	193,815	216,112
Occupancy	128,065	37,990	23,860	189,915	284,990
Postage and printing	48,579	37,512	12,715	98,806	96,599
Dues and subscriptions	93,008	438	650	94,096	89,884
Computer and technology	46,551	14,705	9,192	70,448	79,067
Professional development/travel	45,149	8,441	10,659	64,249	38,665
Advertising/PR/marketing	22,959	2,933	32,995	58,887	37,746
Depreciation	25,525	8,774	5,584	39,883	44,474
Office and telephone	13,534	4,654	13,218	31,406	32,623
Miscellaneous	25,333		6,020	31,353	34,271
Insurance	5,755	1,978	5,570	13,303	20,672
In-kind expenses	5,589	2,012	2,699	10,300	21,752
	<b><u>\$ 2,618,837</u></b>	<b><u>\$ 706,359</u></b>	<b><u>\$ 551,748</u></b>	<b><u>\$ 3,876,944</u></b>	<b><u>\$ 3,661,194</u></b>

\* The community programs include Jewish In Seattle magazine, Government Relations and Public Affairs, Community Research and Convening, SAFE Washington, LIFE & LEGACY™, the Seattle Jewish Community Endowment Fund, PJ Library, PJ Our Way, Camp Scholarships, PAVE, Advanced Leadership Development Program (ALDP), Israeli Emissaries, Teen Israel Experience Scholarships, Local Israel Engagement Speakers, Cardozo Society, and Trips to Israel.

**JEWISH FEDERATION OF GREATER SEATTLE  
AND SUPPORTING FOUNDATIONS**  
Consolidating Schedule of Financial Position  
June 30, 2018  
(With Comparative Totals for 2017)

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	2018 Total	2017 Total
<b>Assets</b>					
Cash and cash equivalents	\$ 2,903,323	\$ -	\$ -	\$ 2,903,323	\$ 3,653,559
<b>Receivables:</b>					
Pledges	1,524,570	268,958		1,793,528	1,352,745
Bequests		76,989		76,989	
Other	41,522	14,169		55,691	64,145
	1,566,092	360,116		1,926,208	1,416,890
Less provision for uncollectible accounts	(189,537)			(189,537)	(184,143)
<b>Total Receivables</b>	<b>1,376,555</b>	<b>360,116</b>		<b>1,736,671</b>	<b>1,232,747</b>
Prepaid expenses	89,475			89,475	103,738
Investments	2,524,635	61,865,320	6,286,055	70,676,010	59,297,820
Land held for sale			920,000	920,000	
Beneficial interest in charitable lead annuity trust		5,326,064		5,326,064	5,340,638
<b>Furniture, Equipment and Tenant Improvements:</b>					
Tenant improvements	165,571			165,571	156,668
Furniture and equipment	292,295			292,295	302,012
Donated artwork	192,000			192,000	192,000
	649,866			649,866	650,680
Less accumulated depreciation	(342,593)			(342,593)	(331,552)
<b>Total Furniture, Equipment and Tenant Improvements</b>	<b>307,273</b>			<b>307,273</b>	<b>319,128</b>
<b>Total Assets</b>	<b>\$ 7,201,261</b>	<b>\$ 67,551,500</b>	<b>\$ 7,206,055</b>	<b>\$ 81,958,816</b>	<b>\$ 69,947,630</b>

See independent auditor's report.

**JEWISH FEDERATION OF GREATER SEATTLE  
AND SUPPORTING FOUNDATIONS**  
Consolidating Schedule of Financial Position  
June 30, 2018  
(With Comparative Totals for 2017)

	Jewish Federation Funds	Endowment Fund	Supporting Foundations	2018 Total	2017 Total
<b>Liabilities and Net Assets</b>					
<b>Liabilities:</b>					
Accounts payable and accrued expenses	\$ 218,344	\$ 185,070	\$ -	\$ 403,414	\$ 234,279
Grants payable	936,787	56,545	351,943	1,345,275	1,545,784
Liabilities under split- interest agreements		1,156,564		1,156,564	1,325,071
Funds held on behalf of community organizations		4,911,153		4,911,153	4,579,866
Interfund balances	(187,713)	187,713			
<b>Total Liabilities</b>	<b>967,418</b>	<b>6,497,045</b>	<b>351,943</b>	<b>7,816,406</b>	<b>7,685,000</b>
<b>Net Assets:</b>					
Unrestricted-					
Undesignated	2,613,841	1,997,889	6,854,112	11,465,842	9,766,596
Designated by Board of Directors	2,993,574	17,667,725		20,661,299	19,467,083
Memorial and other funds		10,936,574		10,936,574	2,911,979
Donor advised funds		11,185,915		11,185,915	10,873,180
Total unrestricted	5,607,415	41,788,103	6,854,112	54,249,630	43,018,838
Restricted-					
Temporarily restricted	626,428	18,943,817		19,570,245	18,921,257
Permanently restricted		322,535		322,535	322,535
Total restricted	626,428	19,266,352		19,892,780	19,243,792
<b>Total Net Assets</b>	<b>6,233,843</b>	<b>61,054,455</b>	<b>6,854,112</b>	<b>74,142,410</b>	<b>62,262,630</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 7,201,261</b>	<b>\$ 67,551,500</b>	<b>\$ 7,206,055</b>	<b>\$ 81,958,816</b>	<b>\$ 69,947,630</b>

See independent auditor's report.