

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

Consolidated Financial Statements

For the Year Ended June 30, 2019

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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 statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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 audit. We conducted our audit 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, 2019, and the results of its activities and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Effect of Adopting New Accounting Standard

As discussed in Note 1, the Federation adopted the Financial Accounting Standards Board's Accounting Standards Update ("ASU") 2016-14, Not-for-Profit Entities (Topic 958) - *Presentation of Financial Statements of Not-for-Profit Entities* as of and for the year ended June 30, 2019. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the Federation's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 31, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating schedule of financial position and consolidating schedule of activities 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.

Clark Nuber P.S.

Certified Public Accountants
November 22, 2019

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Consolidated Statement of Financial Position - Assets

June 30, 2019

(With Comparative Totals for June 30, 2018)

	<u>2019</u>	<u>2018</u>
Assets		
Cash and cash equivalents	\$ 2,805,724	\$ 2,903,323
Receivables:		
Pledges (Note 2)	1,717,989	1,793,528
Bequest	38,000	76,989
Other	<u>62,139</u>	<u>55,691</u>
	1,818,128	1,926,208
Less provision for uncollectible amounts	<u>(170,886)</u>	<u>(189,537)</u>
Total Receivables	1,647,242	1,736,671
Prepaid expenses	183,823	89,475
Investments (Note 3)	69,048,650	70,676,010
Land held for sale (Note 6)	880,000	920,000
Beneficial interest in charitable lead annuity trust (Note 5)	5,103,503	5,326,064
Furniture, Equipment and Tenant Improvements:		
Tenant improvements	171,639	165,571
Furniture and equipment	278,081	292,295
Donated artwork	<u>192,000</u>	<u>192,000</u>
	641,720	649,866
Less accumulated depreciation	<u>(365,624)</u>	<u>(342,593)</u>
Total Furniture, Equipment and Tenant Improvements	276,096	307,273
Total Assets	<u>\$ 79,945,038</u>	<u>\$ 81,958,816</u>

See accompanying notes.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Consolidated Statement of Financial Position - Liabilities and Net Assets

June 30, 2019

(With Comparative Totals for June 30, 2018)

	<u>2019</u>	<u>2018</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 279,429	\$ 403,414
Grants payable (Note 4)	1,078,591	1,345,275
Liabilities under split-interest agreements (Note 5)	1,172,452	1,156,564
Funds held on behalf of community organizations (Note 7)	<u>4,866,562</u>	<u>4,911,153</u>
Total Liabilities	7,397,034	7,816,406
Net Assets (Note 9):		
Without donor restrictions-		
Undesignated - Jewish Federation	2,680,550	2,613,841
Undesignated - Supporting foundations	4,738,064	6,854,112
Designated by Board of Directors	22,652,919	22,659,188
Memorial and other funds	10,912,823	10,936,574
Donor advised funds	<u>11,448,786</u>	<u>11,185,915</u>
Total without donor restrictions	52,433,142	54,249,630
With donor restrictions-		
Restricted for time/purpose	19,792,327	19,570,245
Restricted in perpetuity	<u>322,535</u>	<u>322,535</u>
Total with donor restrictions	<u>20,114,862</u>	<u>19,892,780</u>
Total Net Assets	<u>72,548,004</u>	<u>74,142,410</u>
Total Liabilities and Net Assets	<u>\$ 79,945,038</u>	<u>\$ 81,958,816</u>

See accompanying notes.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

**Consolidated Statement of Activities
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)**

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
Contributions and Revenue:				
Contributions-				
Annual Campaign	\$ 2,129,584	\$ 712,066	\$ 2,841,650	\$ 3,159,836
Seattle Jewish Community Endowment Fund	1,517,922		1,517,922	11,500,977
Other				2,655
Adjustment to provision for uncollectible amounts	(1,000)		(1,000)	(27,770)
Net assets released from restrictions	1,090,942	(1,090,942)		
Total contributions	4,737,448	(378,876)	4,358,572	14,635,698
Revenue-				
Investment income, net of fees of \$154,654 (2018 - \$145,568)	3,071,634	887,727	3,959,361	3,077,537
Net realized/unrealized (losses) gains on investments	(743,291)	(111,990)	(855,281)	1,415,803
Change in value of split-interest agreements, net of payments to beneficiaries		(94,521)	(94,521)	75,446
Special events	130,526		130,526	72,327
Transfers	80,258	(80,258)		
Other income	38,863		38,863	38,631
Total revenue	2,577,990	600,958	3,178,948	4,679,744
Total Contributions and Revenue	7,315,438	222,082	7,537,520	19,315,442
Expenses:				
Programs-				
Grants:				
Federation grants	1,358,507		1,358,507	1,244,281
Endowment grants	2,016,087		2,016,087	2,197,333
Supporting foundation grants	2,109,693		2,109,693	493,533
Total grants	5,484,287		5,484,287	3,935,147
Community programs	2,463,957		2,463,957	2,225,428
Total programs	7,948,244		7,948,244	6,160,575
Fundraising	697,867		697,867	706,358
Management and general	485,815		485,815	568,729
Total Expenses	9,131,926		9,131,926	7,435,662
Change in Net Assets	(1,816,488)	222,082	(1,594,406)	11,879,780
Net assets, beginning of year	54,249,630	19,892,780	74,142,410	62,262,630
Total Net Assets, End of Year	\$ 52,433,142	\$ 20,114,862	\$ 72,548,004	\$ 74,142,410

See accompanying notes.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

**Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)**

	<u>Programs</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>2019</u>	<u>2018</u>
Grants	\$ 5,484,287	\$ -	\$ -	\$ 5,484,287	\$ 3,935,147
Salaries and benefits	1,509,070	493,459	304,709	2,307,238	2,052,796
Events/meetings/conferences	161,072	66,016	21,173	248,261	242,614
Professional services	136,913	15,085	46,213	198,211	203,782
Occupancy	131,621	34,431	24,101	190,153	189,915
Endowment administrative fees	124,391			124,391	111,645
Professional development/travel	100,254	8,010	5,349	113,613	64,249
Dues and subscriptions	93,688	453	990	95,131	94,096
Postage and printing	36,824	40,015	18,196	95,035	98,806
Computer and technology	51,842	13,822	10,195	75,859	70,448
Depreciation	27,816	8,429	5,900	42,145	39,883
Advertising/PR/marketing	20,084	5,951	12,772	38,807	58,887
Miscellaneous	29,295		6,264	35,559	32,423
Office and telephone	14,806	5,760	8,818	29,384	31,406
Taxes and licenses	12,637	2,876	12,431	27,944	185,962
Insurance	7,140	2,171	5,832	15,143	13,303
In-kind	6,504	1,389	2,872	10,765	10,300
Total Expenses	<u>\$ 7,948,244</u>	<u>\$ 697,867</u>	<u>\$ 485,815</u>	<u>\$ 9,131,926</u>	<u>\$ 7,435,662</u>

See accompanying notes.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

**Consolidated Statement of Cash Flows
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)**

	<u>2019</u>	<u>2018</u>
Operating Activities:		
Change in net assets	\$ (1,594,406)	\$ 11,879,780
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities-		
Depreciation	42,145	39,883
Donated land		(1,025,000)
Net realized/unrealized loss (gain) on investments	855,281	(1,415,803)
Gain on sale of donated land	(25,000)	(21,489)
Change in value of beneficial interest in charitable lead annuity trust	222,561	14,574
Cash changes in operating assets and liabilities:		
Pledges receivable	56,888	(435,389)
Bequests receivable	38,989	(76,989)
Other receivables	(6,448)	8,454
Prepaid expenses	(94,348)	14,263
Accounts payable and accrued expenses	(123,985)	169,135
Grants payable	(266,684)	(200,509)
Liabilities under split interest agreements	15,888	(168,507)
Funds held on behalf of community organizations	(44,591)	331,287
Net Cash (Used in) Provided by Operating Activities	(923,710)	9,113,690
Investing Activities:		
Proceeds from sales of investments	9,465,498	5,222,414
Purchase of investments	(8,693,419)	(15,184,801)
Purchase of equipment	(10,968)	(28,028)
Proceeds from sale of donated land (Note 6)	65,000	126,489
Net Cash Provided by (Used in) Investing Activities	826,111	(9,863,926)
Net Change in Cash and Cash Equivalents	(97,599)	(750,236)
Cash and cash equivalents, beginning of year	2,903,323	3,653,559
Cash and Cash Equivalents, End of Year	\$ 2,805,724	\$ 2,903,323
Supplementary Cash Flow Information:		
Donated land	\$ -	\$ 1,025,000
Cash paid for taxes	\$ 168,462	\$ 11,290

See accompanying notes.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Notes to Consolidated Financial Statements For the Year Ended June 30, 2019

Note 1 - Summary of Significant Accounting Policies

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

Community Services - The Federation provides programs and services that support 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 Mark Bloome z"l initiative), a program which leverages its strong relationships with law enforcement agencies to alert the community to threats and offer preparedness resources and training, free of charge. The Federation convenes 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, Teen Israel Leadership Institute, Honeymoon Israel™ Seattle, young adult Israel education, and community lectures in the Puget Sound region and by organizing community trips to Israel.

Investment in Jewish Life - The Federation offers programming to individuals and families, providing low-barrier high-impact on-ramps to Jewish life, as well as, leadership development. PJ Library® and PJ Our Way®™ provides young families books that foster Jewish involvement and connection. These programs also provide in-person programming where families can make person-to-person connections within their local communities. Federation Camp Scholarships Program assists children in attending Jewish overnight summer camp, which have proven to be critical for establishing Jewish lives as those children grow older. Federation also provides the Jewish Puget Sound community with leadership development opportunities through its Advanced Leadership Development Program (ALDP) and partnership programs, National Young Leadership Cabinet (NYLC), Wexner Heritage Program, and Seattle NowGen Giving Circle.

Through its Seattle Jewish Community Endowment Fund, 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. Additionally, the Federation, its 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 are 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 the 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 Year Ended June 30, 2019

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 without donor restriction 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 support with donor restrictions. 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 without donor restrictions. Otherwise, when a donor restriction expires, net assets with donor restrictions for time or purpose are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Net Assets Without Donor Restrictions 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 donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

Net assets restricted in perpetuity 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 donor for educational and community purposes.

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 donor 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 \$0 and \$125,631 at June 30, 2019 and 2018. Delaware state income taxes payable related to endowment fund investments were \$0 and \$36,884 at June 30, 2019 and 2018.

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

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Notes to Consolidated Financial Statements For the Year Ended June 30, 2019

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 statement of activities.

Funds Held on Behalf of Community Organizations - U.S. GAAP requires 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 statement 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 statement of activities.

In-Kind Contributions - The Federation received catering, advertising, printing, legal, consulting, event-related giveaways and software. For the years ended June 30, 2019 and 2018, in-kind contributions were \$10,765 and \$10,300, 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 statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited. Salaries and professional fees are allocated based on the type of service that the individual performed, and directly identifiable costs are allocated based on the program. The remaining expenses such as depreciation and occupancy are allocated based on the number of employees in each department.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Notes to Consolidated Financial Statements For the Year Ended June 30, 2019

Note 1 - Continued

Adoption of New Accounting Pronouncement - For the year ended June 30, 2019, the Federation adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return amongst not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by ASU 2016-14 are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions. The Federation has also included expenses allocated by function and information about the availability and liquidity of financial assets.

Subsequent Events - The Federation has evaluated subsequent events through November 22, 2019, the date on which the consolidated financial statements were available to be issued.

Note 2 - Receivables

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

	<u>2019</u>	<u>2018</u>
Receivables to be collected within one year	\$ 1,334,001	\$ 1,286,280
Receivables to be collected in two to five years	320,000	450,000
Thereafter	<u>112,500</u>	<u>120,000</u>
	1,766,501	1,856,280
Less present value discount	<u>(48,512)</u>	<u>(62,752)</u>
	<u><u>\$ 1,717,989</u></u>	<u><u>\$ 1,793,528</u></u>

The present value discount rates range from 1.75% 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 24% and 30% of the pledges receivable balance as of June 30, 2019 and 2018, respectively.

Provision for Uncollectible Amounts - 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.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Notes to Consolidated Financial Statements For the Year Ended June 30, 2019

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:

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

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 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, 2019 and 2018.

Total investments at June 30:

	<u>2019</u>	<u>2018</u>
Investments at fair value	\$ 63,694,046	\$ 67,754,441
Investment in partnership valued using equity method	138,421	122,856
Investments in life insurance policies valued using lower of cost or fair value	11,455	12,058
Cash, cash equivalents and CDs (nonoperating)	<u>5,204,728</u>	<u>2,786,655</u>
Total Investments	<u><u>\$ 69,048,650</u></u>	<u><u>\$ 70,676,010</u></u>

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Notes to Consolidated Financial Statements
For the Year Ended June 30, 2019

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, 2019			
	Level 1	Level 2	Level 3	Total
Equity securities-				
U.S. large growth	\$ 1,026,596	\$ -	\$ -	\$ 1,026,596
U.S. large cap value	50,129			50,129
U.S. mid growth	10,736			10,736
U.S. mid cap value	513,119			513,119
U.S. small growth	30,750			30,750
U.S. small cap value	274,774			274,774
Global	386,574			386,574
International	140,979			140,979
Emerging markets	39,454			39,454
Total equity securities	2,473,111			2,473,111
Mutual funds-				
Equity	23,465,900			23,465,900
Fixed income	18,009,013			18,009,013
International bond	2,652,847			2,652,847
International equity	17,093,175			17,093,175
Total mutual funds	61,220,935			61,220,935
Total Investments at Fair Value	\$ 63,694,046	\$ -	\$ -	\$ 63,694,046

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Notes to Consolidated Financial Statements
For the Year Ended June 30, 2019

Note 3 - Continued

	Fair Value Measurements as of June 30, 2018			
	Level 1	Level 2	Level 3	Total
Equity securities-				
U.S. large growth	\$ 1,125,428	\$ -	\$ -	\$ 1,125,428
U.S. large cap value	116,329			116,329
U.S. mid growth	61,559			61,559
U.S. mid cap value	536,027			536,027
U.S. small growth	25,200			25,200
U.S. 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
Total Investments at Fair Value	\$ 67,752,941	\$ 1,500	\$ -	\$ 67,754,441

Note 4 - Grants Payable

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

	2019	2018
Jewish Federation-		
Jewish Federations of North America	\$ 155,470	\$ 154,470
Local organizations	255,220	281,495
Israel and World Jewry	583,000	557,367
	993,690	993,332
Supporting Foundations-		
Local organizations	84,901	351,943
Total Grants Payable	\$ 1,078,591	\$ 1,345,275

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Notes to Consolidated Financial Statements For the Year Ended June 30, 2019

Note 4 - Continued

Grants payable are as follows at June 30, 2019:

Grants payable within one year	\$ 1,068,690
Grants payable in two to five years	<u>10,000</u>
	1,078,690
Less present value discounted at 1.75%	<u>(99)</u>
	<u><u>\$ 1,078,591</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 started receiving 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, \$5,103,503 and \$5,326,064 at June 30, 2019 and 2018, respectively, and is included on the consolidated statement of financial position and is included as a component of net assets with donor restrictions.

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, 2019 and 2018, was \$1,605,963 and \$1,613,244, respectively, with an estimated annuity liability of \$1,132,681 and \$1,114,888, 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 statement of financial position as an investment, a liability and net assets with donor restrictions. The Federation's interest in gains or losses in the trusts' value is recognized in the consolidated statement of activities as donor 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, 2019 and 2018 are \$71,556 and \$77,014, respectively, with estimated liabilities of \$39,771 and \$41,676, 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 parcels valued at \$105,000 were sold for \$126,489 during the year ended June 30, 2018. Two of the parcels valued at \$40,000 were sold for \$65,000 during the year ended June 30, 2019. At June 30, 2019, the remaining seven parcels of land, valued at \$880,000, are held for sale.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

**Notes to Consolidated Financial Statements
For the Year Ended June 30, 2019**

Note 7 - Funds Held on Behalf of Community Organizations

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

	<u>2019</u>	<u>2018</u>
Hillel Foundation for Jewish Life at the U.W.	\$ 2,706,434	\$ 2,675,731
Jewish Day School	1,303,019	1,477,294
Congregation Beth Shalom	349,307	301,743
Congregation Ezra Bessaroth	209,428	199,987
Washington State Jewish Historical Society	108,881	84,894
Temple Beth Or	103,978	99,456
Congregation Kol Ami	39,290	27,381
Herzl-Ner Tamid	26,008	24,939
Charitable gift annuities	20,217	19,728
	<u><u>\$ 4,866,562</u></u>	<u><u>\$ 4,911,153</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, 2019 and 2018, employer contributions to the 401(k) plan were \$29,829 and \$12,494, 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 Year Ended June 30, 2019**

Note 9 - Net Assets

Net assets without donor restrictions consist of the following at June 30:

	<u>2019</u>	<u>2018</u>
Undesignated-		
Federation	\$ 2,404,454	\$ 2,306,568
Investment in fixed assets, Federation	<u>276,096</u>	<u>307,273</u>
Total undesignated Jewish Federation fund net assets	2,680,550	2,613,841
Supporting Foundations - undesignated ^(a)	4,738,064	6,854,112
Designated by Board of Directors-		
Designation for subsequent years:		
Internal operations	1,705,667	1,789,376
Community programs	1,093,923	1,089,083
Other Federation board designations for operations	<u>199,120</u>	<u>115,115</u>
Total designated for subsequent year	2,998,710	2,993,574
Milk and Honey program ^(b)	134,701	236,915
Federation Endowment Fund ^(c)	5,879,443	5,804,390
C.A.B. Federation Endowment Fund ^(d)	8,809,521	8,804,497
PACE/LOJE funds ^(e)	1,629,333	1,513,259
Emergency Capital and Contingency funds ^(f)	523,937	557,847
Special Initiatives Fund ^(g)	2,011,540	1,997,889
Other Board Designated Funds	<u>665,734</u>	<u>750,817</u>
Total designated by Board of Directors net assets	22,652,919	22,659,188
Memorial funds	10,912,823	10,936,574
Donor advised funds ^(h)	<u>11,448,786</u>	<u>11,185,915</u>
Total Net Assets Without Donor Restrictions	<u>\$ 52,433,142</u>	<u>\$ 54,249,630</u>

(a) Supporting Foundations allow donors to maintain personal involvement in grant making decisions as a 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.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

**Notes to Consolidated Financial Statements
For the Year Ended June 30, 2019**

Note 9 - Continued

- (c) Federation Endowment Fund is designated for funding operational costs for the Federation based on the current spending policy and is considered a quasi-endowment (Note 10).
- (d) C.A.B. Federation Endowment Fund has been designated for occupancy and other operational 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 spending policy.
- (g) Special Initiatives Fund provides funding for Ignition, Small Agency Sustainability, and Women’s Endowment fund grants based on Federation spending policy and annual donations.
- (h) Donor advised funds are irrevocable gifts made for the exclusive purpose of charitable giving without donor restrictions. 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 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.

Net assets with donor restrictions consist of the following at June 30:

	<u>2019</u>	<u>2018</u>
Restricted for time/purpose-		
Federation donor funds restricted for a particular purpose	\$ 389,554	\$ 102,987
Federation donor funds restricted for time	495,959	523,441
Endowment donor funds restricted for a particular purpose	13,318,462	13,106,952
Charitable lead annuity trust		
restricted due to timing of receipt	5,103,503	5,326,064
Charitable gift annuities		
and charitable remainder trusts	<u>484,849</u>	<u>510,801</u>
Total net assets with donor restrictions for time/purpose	19,792,327	19,570,245
Restricted in perpetuity-		
Endowment funds restricted by donors ⁽ⁱ⁾	<u>322,535</u>	<u>322,535</u>
Total Net Assets With Donor Restrictions	<u>\$ 20,114,862</u>	<u>\$ 19,892,780</u>

- (i) Net assets restricted in perpetuity 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 Year Ended June 30, 2019

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 endowments restricted in perpetuity 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 net assets with donor restrictions in perpetuity (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 restricted in perpetuity is restricted for time or purpose 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 Year Ended June 30, 2019**

Note 10 - Continued

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

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Earnings	Corpus	
Endowment net assets, June 30, 2017	\$ 6,426,721	\$ 90,719	\$ 322,535	\$ 6,839,975
Endowment investment return-				
Interest and dividends, net of fees	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>
Endowment Net Assets, June 30, 2018	<u>7,317,649</u>	<u>88,299</u>	<u>322,535</u>	<u>7,728,483</u>
Endowment investment return-				
Interest and dividends, net of fees	461,480	20,845		482,325
Realized and unrealized losses	<u>(83,735)</u>	<u>(4,035)</u>		<u>(87,770)</u>
Total endowment investment return	377,745	16,810		394,555
Board designations	136,839			136,839
Appropriation of endowment for expenditure	<u>(323,457)</u>	<u>(19,141)</u>		<u>(342,598)</u>
Endowment Net Assets, June 30, 2019	<u>\$ 7,508,776</u>	<u>\$ 85,968</u>	<u>\$ 322,535</u>	<u>\$ 7,917,279</u>

Funds without donor restrictions include board designated Federation Endowment fund, PACE, and LOJE funds.

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. At June 30, 2019 and 2018, 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 Year Ended June 30, 2019

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 sixteen quarter rolling average investment balance in fiscal years 2019 and 2018. 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 Jewish in Seattle Magazine. 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 calendar year. 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, 2020.

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

For the Year Ending June 30,

2020	\$	200,475
2021		51,975
		<hr/>
	\$	252,450

Rent expense for the years ended June 30, 2019 and 2018 was \$170,525 and \$167,929, respectively.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Notes to Consolidated Financial Statements For the Year Ended June 30, 2019

Note 13 - Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following at June 30, 2019:

Financial assets at year end*-	
Cash and cash equivalents	\$ 2,805,724
Receivables	1,647,242
Beneficial interest in charitable lead annuity trust	5,103,503
Investments	<u>69,048,650</u>
Total financial assets	78,605,119
Less financial assets not available for general expenditure within one year, due to-	
Contractual or donor-imposed restrictions:	
Funds with donor restrictions	(14,203,975)
Beneficial interest in charitable lead annuity trust restricted for time	(5,103,503)
Donor advised funds	(11,448,786)
Memorial funds	(10,912,823)
Funds held on behalf of community organizations	(4,866,562)
Supporting foundation funds	(3,945,119)
Liabilities under split-interest agreements	(1,172,452)
CGA and CRT funds	(484,849)
Endowments with donor restrictions	(322,535)
Board designations:	
Board designated funds for future periods	(18,988,475)
Board designated donor endowment funds for future periods	<u>(665,734)</u>
Total Financial Assets Available for General Expenditure Within One Year	<u>\$ 6,490,306</u>

*Financial assets do not include prepaid expenses, land held for sale, furniture, equipment and tenant improvements.

The Federation excludes financial assets related to its donor advised funds, memorial, and Supporting Foundation funds because the Federation strives to honor donor recommendations despite its variance power and therefore does not consider these assets to be available for general expenditure. Income from the investment balances from donor restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditures. The Federation's endowment funds consist of donor restricted endowments and Board designated endowments. As described in Note 10, the Federation's annual spending policy is 4.5% of the sixteen-quarter rolling average investment balance and the amount available within the next 12 months will be approximately \$638,000 from Board designated endowment funds. As part of the Federation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Federation invests cash in excess of current requirements in short-term investments. Although the Federation does not intend to spending from its board-designated endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its board-designated endowment could be made available if necessary to manage unanticipated liquidity needs.

SUPPLEMENTARY INFORMATION

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Consolidating Schedule of Financial Position - Assets

June 30, 2019

(With Comparative Totals for 2018)

	Jewish Federation Funds	Supporting Foundations	2019 Total	2018 Total
Assets				
Cash and cash equivalents	\$ 2,805,724	\$ -	\$ 2,805,724	\$ 2,903,323
Receivables:				
Pledges	1,717,989		1,717,989	1,793,528
Bequests	38,000		38,000	76,989
Other	62,139		62,139	55,691
	1,818,128		1,818,128	1,926,208
Less provision for uncollectible amounts	(170,886)		(170,886)	(189,537)
Total Receivables	1,647,242		1,647,242	1,736,671
Prepaid expenses	183,823		183,823	89,475
Investments	65,103,531	3,945,119	69,048,650	70,676,010
Land held for sale		880,000	880,000	920,000
Beneficial interest in charitable lead annuity trust	5,103,503		5,103,503	5,326,064
Furniture, Equipment and Tenant Improvements:				
Tenant improvements	171,639		171,639	165,571
Furniture and equipment	278,081		278,081	292,295
Donated artwork	192,000		192,000	192,000
	641,720		641,720	649,866
Less accumulated depreciation	(365,624)		(365,624)	(342,593)
Total Furniture, Equipment and Tenant Improvements	276,096		276,096	307,273
Total Assets	\$ 75,119,919	\$ 4,825,119	\$ 79,945,038	\$ 81,958,816

See independent auditor's report.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

Consolidating Schedule of Financial Position - Liabilities and Net Assets

June 30, 2019

(With Comparative Totals for 2018)

	Jewish Federation Funds	Supporting Foundations	2019 Total	2018 Total
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	\$ 277,275	\$ 2,154	\$ 279,429	\$ 403,414
Grants payable	993,690	84,901	1,078,591	1,345,275
Liabilities under split-interest agreements	1,172,452		1,172,452	1,156,564
Funds held on behalf of community organizations	4,866,562		4,866,562	4,911,153
Total Liabilities	7,309,979	87,055	7,397,034	7,816,406
Net Assets:				
Without donor restrictions-				
Undesignated - Jewish Federation	2,680,550		2,680,550	2,613,841
Undesignated - Supporting foundations		4,738,064	4,738,064	6,854,112
Designated by Board of Directors	22,652,919		22,652,919	22,659,188
Memorial funds	10,912,823		10,912,823	10,936,574
Donor advised funds	11,448,786		11,448,786	11,185,915
Total without donor restrictions	47,695,078	4,738,064	52,433,142	54,249,630
With donor restrictions-				
Restricted for time/purpose	19,792,327		19,792,327	19,570,245
Restricted in perpetuity	322,535		322,535	322,535
Total with donor restrictions	20,114,862		20,114,862	19,892,780
Total Net Assets	67,809,940	4,738,064	72,548,004	74,142,410
Total Liabilities and Net Assets	\$ 75,119,919	\$ 4,825,119	\$ 79,945,038	\$ 81,958,816

See independent auditor's report.

JEWISH FEDERATION OF GREATER SEATTLE AND SUPPORTING FOUNDATIONS

**Consolidating Schedule of Activities
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)**

	Jewish Federation Funds	Supporting Foundations	Consolidating Entries	2019 Total	2018 Total
Contributions and Revenue:					
Contributions-					
Annual Campaign	\$ 4,308,316	\$ -	\$ (1,466,666)	\$ 2,841,650	\$ 3,159,836
Seattle Jewish Community Endowment Fund	1,568,199	52	(50,329)	1,517,922	11,500,977
Other					2,655
Adjustment to provision for uncollectible amounts	(1,000)			(1,000)	(27,770)
Total contributions	5,875,515	52	(1,516,995)	4,358,572	14,635,698
Revenue:					
Investment income, net of fees of \$154,654 (2018 - \$145,568)	3,761,091	198,270		3,959,361	3,077,537
Net realized/unrealized (losses) gains on investments	(748,097)	(107,184)		(855,281)	1,415,803
Change in value of split-interest agreements, net of payments to beneficiaries	(94,521)			(94,521)	75,446
Special events	137,660		(7,134)	130,526	72,327
Other income	526,555		(487,692)	38,863	38,631
Total revenue	3,582,688	91,086	(494,826)	3,178,948	4,679,744
Total Contributions and Revenue	9,458,203	91,138	(2,011,821)	7,537,520	19,315,442
Expenses:					
Programs-					
Grants:					
Federation grants	1,359,241		(734)	1,358,507	1,244,281
Endowment grants	3,504,482		(1,488,395)	2,016,087	2,197,333
Supporting foundation grants		2,144,693	(35,000)	2,109,693	493,533
Total grants	4,863,723	2,144,693	(1,524,129)	5,484,287	3,935,147
Community programs	2,902,804		(438,847)	2,463,957	2,225,428
Total programs	7,766,527	2,144,693	(1,962,976)	7,948,244	6,160,575
Fundraising	697,867			697,867	706,358
Management and general	472,167	62,493	(48,845)	485,815	568,729
Total Expenses	8,936,561	2,207,186	(2,011,821)	9,131,926	7,435,662
Change in Net Assets	521,642	(2,116,048)		(1,594,406)	11,879,780
Net assets, beginning of year	67,288,298	6,854,112		74,142,410	62,262,630
Total Net Assets, End of Year	\$ 67,809,940	\$ 4,738,064	\$ -	\$ 72,548,004	\$ 74,142,410

See independent auditor's report.