JEWISH FEDERATION OF GREATER TOLEDO

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

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JEWISH FEDERATION OF GREATER TOLEDO
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Jewish Federation of Greater Toledo
Sylvania, Ohio

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Jewish Federation of Greater Toledo, which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Jewish Federation of Greater Toledo as of December 31, 2021, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Board of Directors
Jewish Federation of Greater Toledo

Report on Supplementary Information

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

Restatement of the Prior Period Net Assets

As discussed in Note 16, Jewish Federation of Greater Toledo has restated its net assets as of December 31, 2020, during the current year to appropriately account for net assets with donor restrictions in accordance with principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sylvania, Ohio
June 30, 2022

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalents	$ 726,417
Accounts Receivable	68,189
Grants and Pledges Receivable	89,881
Prepaid Expenses and Other Assets	72,090
Total Current Assets	956,577
Prepaid Rent, Net of Current Portion (Note 8)	704,000
Net Property and Equipment (Note 5)	1,299,777
Investments (Note 4 and 6)	58,988,190
Beneficial Interest in Perpetual Trusts (Note 4 and 12)	3,521,996
Intangible Asset (Note 8)	850,000
Cash Surrender Value of Life Insurance (Note 7)	1,499,502
Total Assets	$ 67,820,042

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable and Accrued Liabilities	$ 48,424
Current Portion of Deferred Gain on Sale of Property (Note 8)	94,000
Deferred Revenue	36,563
Total Current Liabilities	178,987
Deferred Gain on Sale of Property, Net of Current Portion (Note 8)	1,504,000
Trusts Payable (Note 6)	2,639,444
Funds Held for Local Jewish Agencies (Note 13)	6,444,157
Investment Held for Associated Affiliate Organization (Note 3)	15,594,052
Total Liabilities	26,360,640
NET ASSETS	
Without Donor Restrictions:	
Designated (Note 14)	27,042,002
Undesignated	9,395,902
Total Net Assets Without Donor Restrictions	36,437,904
With Donor Restrictions	
Restricted for Passage of Time - Cash Surender Value of Life Insurance	1,499,502
Perpetual in Nature - Beneficial Interest in Perpetual Trusts	3,521,996
Total With Donor Restrictions	5,021,498
Total Net Assets	41,459,402
Total Liabilities and Net Assets	$ 67,820,042

See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, SUPPORT, AND GAINS			
Support:			
Annual Campaign Pledges	$ 1,123,410	$ -	$ 1,123,410
Contributions	685,069	-	685,069
Grants	99,245	-	99,245
United Way, Donor-Directed Contributions	515	-	515
Jewish Senior Services Supporting Organization	591,707	-	591,707
Change in Value of Beneficial Interest in Perpetual Trusts	(76,986)	290,232	213,246
Allocations	147,362	-	147,362
Revenue and Gains:			
Program Service Fees	82,130	-	82,130
Tuition and Books, Net	103,971	-	103,971
Investment Income, Net	3,918,990	-	3,918,990
Change in Cash Surrender Value of Life Insurance	-	53,109	53,109
Rental Revenue	6,000	-	6,000
Net Gain on Disposal of Property and Equipment	120,911	-	120,911
Other	84,133	-	84,133
Net Assets Released from Restrictions	-	-	-
Total Revenue, Support, and Gains	6,886,457	343,341	7,229,798
EXPENSES			
Program:			
Cemetery	242,771	-	242,771
Grants	666,421	-	666,421
Senior and Family Social Services	476,214	-	476,214
Education	335,732	-	335,732
Federation	994,500	-	994,500
UJC Holdings	321,918	-	321,918
Total Program	3,037,556	-	3,037,556
Administrative	343,531	-	343,531
Foundation and Other Financial Resource Development	709,855	-	709,855
Total Expenses	4,090,942	-	4,090,942
CHANGE IN NET ASSETS BEFORE TRANSFERS	2,795,515	343,341	3,138,856
Transfer to Affiliated Entity	(250,000)	-	(250,000)
CHANGE IN NET ASSETS	2,545,515	343,341	2,888,856
Net Assets - Beginning of Year (as Restated - Note 16)	33,892,389	4,678,157	38,570,546
NET ASSETS - END OF YEAR	$ 36,437,904	$ 5,021,498	$ 41,459,402

See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program - Cemetery	Program - Senior and Family Social Services	Program - Education	Program - Federation and Grants	Program - UJC Holdings	Total Program	Administrative	Foundation and Other Financial Resource Development	Total
Salaries and Wages	$ 138,651	$ 271,974	$ 191,742	$ 567,975	$ -	$ 1,170,342	$ 185,833	$ 361,282	$ 1,717,457
Employee Benefits	24,524	48,106	33,915	100,461	-	207,006	39,374	54,893	301,273
Payroll Taxes	11,091	21,756	15,338	45,435	-	93,620	13,184	26,483	133,287
Total Salaries and Related Expenses	174,266	341,836	240,995	713,871	-	1,470,968	238,391	442,658	2,152,017
Supplies	3,355	6,582	4,640	13,745	3,013	31,335	4,524	3,178	39,037
Care of Building and Grounds	4,750	9,317	6,569	19,457	34,616	74,709	4,579	2,290	81,578
Printing and Publicity	1,794	3,520	2,481	7,350	-	15,145	6,002	3,893	25,040
Rent and Maintenance of Equipment	8,101	15,890	11,202	33,184	69,028	137,405	38,670	40,445	216,520
Postage	1,260	2,472	1,743	5,163	-	10,638	1,870	2,231	14,739
Travel	1,473	2,889	2,037	6,034	-	12,433	387	5,321	18,141
Staff Development	1,733	3,399	2,396	7,098	-	14,626	7,189	3,910	25,725
Professional Fees	6,598	12,943	9,125	27,030	10,300	65,996	15,536	56,122	137,654
Organization Dues and Accreditation	5,132	10,066	7,096	21,021	-	43,315	9,133	47,048	99,496
Bad Debts	37	72	51	151	-	311	-	5,895	6,206
Insurance	1,463	2,871	2,024	5,995	43,078	55,431	987	68,393	124,811
Telephone	1,794	3,518	2,480	7,347	-	15,139	7,851	3,926	26,916
Events	16,038	31,460	22,180	65,700	-	135,378	-	7,786	143,164
Financial Assistance	11,560	22,675	15,986	47,353	-	97,574	-	-	97,574
Service Charges	161	316	223	660	-	1,360	67	12,010	13,437
Miscellaneous	659	1,293	912	2,701	-	5,565	2,781	1,967	10,313
Depreciation and Amortization	2,597	5,095	3,592	10,640	161,883	183,807	5,564	2,782	192,153
Subtotal	242,771	476,214	335,732	994,500	321,918	2,371,135	343,531	709,855	3,424,521
Grants Awarded	-	-	-	666,421	-	666,421	-	-	666,421
Total Functional Expenses	$ 242,771	$ 476,214	$ 335,732	$ 1,660,921	$ 321,918	$ 3,037,556	$ 343,531	$ 709,855	$ 4,090,942

See accompanying Notes to Consolidated Financial Statements.

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$	2,888,856
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation and Amortization		192,154
Net Realized and Unrealized Gains on Investments		(3,003,264)
Change in Value of Beneficial Interest in Perpetual Trusts		(290,232)
Increase in Cash Value of Life Insurance		(53,109)
Net Gain on Disposal of Property and Equipment		(120,911)
Change in Assets and Liabilities:		
Accounts Receivable		(39,752)
Grants and Pledges Receivable		(67,299)
Prepaid Expenses and Other Assets		125,425
Accounts Payable and Accrued Expenses		27,415
Deferred Revenue		(242,478)
Trusts Payable		118,067
Funds Held for Local Jewish Agencies		442,186
Net Cash Used by Operating Activities		(22,942)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment		(139,086)
Purchase of Investments		(5,801,368)
Proceeds from Sale of Investments		2,065,552
Net Cash Used by Investing Activities		(3,874,902)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Charitable Remainder Unitrust		894,549
Net Cash Provided by Financing Activities		894,549
NET CHANGE IN CASH AND CASH EQUIVALENTS		(3,003,295)
Cash and Cash Equivalents - Beginning of Year		3,729,712
CASH AND CASH EQUIVALENTS - END OF YEAR	$	726,417
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Net Realized and Unrealized Gains on Investments Held for Associated Affiliate Organization	$	(1,539,953)
Proceeds from Sale of Investments Held for Associated Affiliate Organization	$	565,159
Purchase of Investments Held for Associated Affiliate Organization	$	(574,593)

See accompanying Notes to Consolidated Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

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

Basis of Presentation

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

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

Cash and Cash Equivalents

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

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

Accounts, Grants, and Pledges Receivable

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

Property and Equipment and Depreciation

Land, buildings, and equipment, including significant improvements thereto, are recorded at cost or, if donated, at estimated fair value at the date of donation. Management evaluates these assets for impairment. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets which range from 5 to 30 years. The Organization’s capitalization policy requires individual assets to be capitalized if the original cost or estimated fair value, at the date of donation, equals or exceeds $1,000. Assets acquired at a cost under this amount are capitalized at the discretion of management. Maintenance, repairs, and minor improvements are charged against operations as incurred.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

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

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

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

Funds Held for Other Agencies

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

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

Intangible Asset

Intangible asset consists of naming rights, as discussed in Note 8. The intangible asset is being amortized using the straight-line method over 20 years.

Contributions

Contributions are recognized as revenue based upon the presence or absence of donor-imposed conditions. For those contributions absent of donor-imposed conditions, revenue is recognized at the time the Organization is notified of the contribution, regardless of the timing of the cash receipt. For contributions with donor-imposed conditions - that is, those with a measurable performance or other barrier and a right or return or release - revenue is recognized at the time the conditions are substantially met, regardless of the timing of cash receipt. Contributions with donor-imposed restrictions met in the same reporting year are reported as unrestricted contributions without reclassification. At December 31, 2021, the Organization had no conditional contributions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The cost of program and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Expenses incurred are allocated to functional classifications by the Organization's management. Expenses directly related to each function are charged to the appropriate functional classification. Indirect expenses are allocated by the Organization's management to the functional classification based upon space utilized or salaries, whichever is more appropriate.

Printing and Publicity

The Organization advertises through newspapers, brochures, and direct mailings. Such costs are expensed as incurred since amounts do not apply to periods in excess of one year. Printing and publicity costs amounted to $25,041 for the year ended December 31, 2021.

Grants Awarded

Promises to grant funds that stipulate conditions be met before the grant is made are not recorded until the conditions are met. There were no conditional grants made during the year ending December 31, 2021.

Donated Services

A number of unpaid volunteers have made contributions of their time in program services. The value of such donated services has not been reflected in these consolidated financial statements since it is not susceptible to objective measurement or valuation as required under GAAP.

Income Taxes

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

Subsequent Events

The Organization has evaluated subsequent events through June 30, 2022, the date on which the consolidated financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following as of December 31, 2021:

Cash	$ 726,417
Accounts Receivable	68,189
Grants and Pledges Receivable	89,881
Investment Securities	58,988,190
Less:	
Trusts Payable	(2,639,444)
Funds Held for Local Jewish Agencies	(6,444,157)
Investment Held for Associated Affiliate Organization	(15,594,052)
Board-Designated Net Assets	(27,042,002)
Distributions from Beneficial Interest in Perpetual Trusts	147,095
Total	$ 8,300,117

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

In addition to the financial assets available to meet cash needs for general expenditure within one year of $8.300,117 at December 31, 2021, the Organization is primarily supported by annual campaign pledges, contributions, investment income, and other revenue sources. Further, the board-designated funds could be made available upon board approval, if necessary. As part of liquidity management, the Organization invests cash in excess of daily requirements in various short-term investments.

NOTE 3 INVESTMENTS HELD FOR ASSOCIATED AFFILIATE ORGANIZATION

The Federation is an intermediary for the Jewish Senior Services Supporting Organization (JSS) and has recorded an asset and liability in the consolidated statement of financial position for the investments held for that organization which amount to $15,594,052 at December 31, 2021.

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS

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

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

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

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

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

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

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

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

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

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Cash and Money Markets	$ -	$ 105,983	$ -	$ 105,983
Corporate Common Stocks	10,051,702	-	-	10,051,702
Government of Israel Bonds	-	575,931	-	575,931
Mutual Funds:				
Fixed Income Bond Fund	13,072,453	-	-	13,072,453
International	15,873,820	-	-	15,873,820
Large-Cap	15,698,757	-	-	15,698,757
Small/Mid-Cap	2,313,925	-	-	2,313,925
Real Estate	399,225	-	-	399,225
Emerging Markets Equity	896,394	-	-	896,394
Total Investments	58,306,276	681,914	-	58,988,190
Beneficial Interest in Perpetual Trusts	-	-	3,521,996	3,521,996
Total Assets at Fair Value	$ 58,306,276	$ 681,914	$ 3,521,996	$ 62,510,186

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Instrument	Fair Value	Principal Valuation Technique	Unobservable Inputs
Beneficial Interest in Perpetual Trust	$ 3,521,996	FMV of Trust Investments	Time Period of Trust

Purchases	$ 1,206,534
Sales	(927,060)
Transfers In	192,870
Transfers Out	(312,338)

The table in Note 12 sets forth a summary of changes in the fair value of the perpetual trust, Level 3 asset, for the year ended December 31, 2021.

Net investment income for the year ended December 31, 2021 is as follows:

Interest and Dividends	$ 969,208
Unrealized Gains	2,045,222
Realized Gains	958,042
Investment Advisory Fees	(53,482)
Net Investment Income	$ 3,918,990

NOTE 5 PROPERTY AND EQUIPMENT

Net property and equipment consists of the following at December 31, 2021:

Property and Equipment:	
Land and Improvements	$ 77,551
Buildings and Building Improvements	2,085,744
Furniture and Equipment	358,191
Vehicles	39,112
Total Property and Equipment	2,560,598
Less: Allowance for Depreciation	1,260,821
Net Property and Equipment	$ 1,299,777

NOTE 6 TRUSTS PAYABLE

The Federation has been designated as the trustee for split-interest agreements, consisting of three charitable remainder trusts. The terms of these agreements include making fixed payments and payments based on the return on investments to beneficiaries and payouts of principal to the Federation and other organizations after certain events have occurred. Assets under these collective agreements amounted to $2,639,444 at December 31, 2021, and are included as Investments in the consolidated statement of financial position. Since the beneficiaries are subject to change, the Federation has also established liabilities for the same amount at December 31, 2021, which is recorded as Trusts Payable in the consolidated statement of financial position. Should these events occur without a change to the beneficiaries, the Federation would be entitled to approximately 74% as partial beneficiary.

NOTE 7 LIFE INSURANCE POLICIES

The Foundation is owner and beneficiary of certain donated life insurance policies, which had a total face value of approximately $4,636,000 at December 31, 2021. The cash surrender value of these policies is $1,499,502 at December 31, 2021, and is reflected as an asset in the consolidated statement of financial position.

NOTE 8 YMCA INTEGRATION, LEASE, AND AFFILIATION AGREEMENTS

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

On December 28, 2018, Holdings and the Federation entered into a new operating agreement with the YMCA and sold their primary operating building to the YMCA for a total sales price of $2,400,000. The consideration included $520,000 in cash, a 20-year leaseback related to the portion of the building that the Organization occupies as their primary office location valued at $880,000, and an agreement for continued naming rights of the primary recreational facility for 20 years valued at $1,000,000.

The Organization has determined that the consideration received for the new lease agreement and the naming right intangible requires a partial deferral of the gain on sale under GAAP. Accordingly, the Organization recognized a deferred gain on the sale of $1,880,000, which is being recognized on a straight- line basis over the 20-year terms of the lease and naming rights. For the year ended December 31, 2021, the Organization expensed $141,000 of which $66,000 was lease expense from prepaid rent and $75,000 amortization expense for naming rights intangible. A gain of $141,000 was recognized on the sale for the non-lease and non-naming rights portion during the year ended December 31, 2021.

NOTE 9 GRANT ALLOCATIONS

Federation grant allocations are as follows for the year ended December 31, 2021:

National Jewish Organizations	$ 210,107
Synagogues (Including Capital Campaigns)	139,565
Synagogues in Other Communities	23,067
Local Jewish Organizations	123,050
Local Jewish in Other Communities	18,418
Local Social Services & Art	95,380
National Social Services	12,120
Scholarships	104,954
Education and Hospitals	64,850
Other	574,910
Subtotal	1,366,421
Transfer of Agency Fund	(700,000)
Total Allocations	$ 666,421

NOTE 10 RETIREMENT PLANS

The Federation sponsors a qualified retirement plan under Section 401(k) of the IRC for all of the individual agencies. This plan allows for employee salary deferrals, employee rollover contributions, employer safe harbor contributions of 3% of eligible employee compensation, plus additional contributions that may be made at the employer's discretion. This plan covers substantially all employees of the Federation, following one year of service and attainment of age 21. All contributions are fully vested upon placement in the 401(k) plan. Contribution expense related to the plans amounted to $105,302 for the year ended December 31, 2021, and is reported as part of Employee Benefits in the consolidated statements of functional expenses.

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

As of December 31, 2021, the most recent information available, 39 of the 1,069 total participants are from the Organization. Since the Plan is an Eligible Charity Plan (ECP), the Plan is not subject to the minimum funding standards contained in the Pension Protection Act of 2006 (PPA) until the first plan year for which the Plan ceases to be an ECP. The United Way of Greater Toledo's (United Way) board of trustees has established a Funding Policy which requires contributions to meet or exceed the minimum funding requirement. Contributions were required to be made to the Plan for 2021 in amounts determined by the United Way board of trustees. The contributions are allocated among the United Way and the participating agencies based on calculations performed by the Plan's actuary. The Organization's share of the required contributions was $34,008 for the year ended December 31, 2021 and is less than 5% of the total Plan contributions.

NOTE 10 RETIREMENT PLANS (CONTINUED)

At January 1, 2022, the most recent information available, the value of the Plan's assets of $43M exceeds the current liability of $36.8M. The current liability represents the present value of accumulated plan benefits computed using certain interest rate assumptions that are prescribed by Pension Protection Act (PPA). The funding is determined by the actuary and is allocated based on employee liability among United Way and the participating agencies. In the event of nonpayment by a participating agency, the remaining participating agencies of the Plan may be liable to meet the minimum contribution required by the PPA.

The actuarial present value of accumulated Plan benefits was $35.2 as of the January 1, 2022 valuation date, the most recent information available. The fair value of the Plan's investments was $43M as of December 31, 2021. Plan assets are invested based on a long-term investment strategy and held approximately 40% in fixed income securities and 60% in equity accounts as of December 31, 2021.

NOTE 11 LEASE AGREEMENTS

As described in Note 8, the Organization leases office space from the YMCA under a new agreement through December 2038, which resulted prepaid rent. The Organization recognized $66,000 in rent expense for the year ended December 31, 2021.

NOTE 12 BENEFICIAL INTEREST IN PERPETUAL TRUSTS

The Organization is beneficiary of an interest in two irrevocable trusts. Under the terms of the first irrevocable trust, the Organization is entitled to 35% of the income generated from this trust in perpetuity. Since the trust is irrevocable, the Organization has recorded 35% of the trust's assets as a beneficial interest in a perpetual trust with donor restrictions.

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

Activity in the trusts for the year ended December 31, 2021, is summarized as follows:

Beneficial Interest in Perpetual Trusts - Beginning of Year	$ 3,231,764
Change in Value	368,901
Net Cash and Securities Transferred Out	(119,468)
Dividends and Interest	63,020
Administrative Fees	(22,221)
Beneficial Interest in Perpetual Trusts - End of Year	$ 3,521,996

NOTE 13 TRANSACTIONS IN FUNDS HELD FOR LOCAL JEWISH AGENCIES

Transactions in local Jewish agency funds are summarized below for the year ended December 31, 2021:

Additions:	
Contributions	$ 606,947
Investment Income	131,945
Net Unrealized Gains	541,899
Total Additions	1,280,791
Deductions:	
Distributions - Grants	74,662
Advisory Fees	63,943
Transfers Out	700,000
Total Deductions	838,605
Change in Balance	442,186
Balance in Agency Funds - Beginning of Year	6,001,971
Balance in Agency Funds - End of Year	$ 6,444,157

NOTE 14 DESIGNATED NET ASSETS

Net assets at December 31, 2021 have been designated for the following purposes by the board of directors:

Board-Designated	$ 390,668
Agency Funds from Outside Donors	1,352,439
Legacy JFGT Agency Funds (JFS, TBJE, JCC)	2,165,097
JFGT Agency Funds	6,225,939
Perpetual Annual Campaign & Lion of Judah Endowments	3,961,179
Toledo Jewish Community Cemetery Assocation Funds	2,783,766
Donor Advised Funds	7,179,253
Special Purpose Funds	2,983,661
Total Board-Designated Net Assets	$ 27,042,002

NOTE 15 ENDOWMENTS

The Organization’s endowment (the Endowment) consists of 161 funds designated by the board to function as endowments for a variety of purposes. As required by GAAP, net assets associated with endowment funds, including funds designated by the board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

NOTE 15 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law

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

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

1. The duration and preservation of the fund.
2. The purpose of the Organization and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

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

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

Investment Return Objectives, Risk Parameters, and Strategies

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

NOTE 15 ENDOWMENTS (CONTINUED)

Spending Policy

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

From time to time, certain donor restricted funds within the endowment may have fair values that are less than the amount required to be maintained by donors or by law (underwater endowments). At December 31, 2021, there are no underwater endowment funds within the Foundation's donor restricted net assets.

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

December 31, 2021	Without Donor Restriction	With Donor Restrictions	Total
Board-Designated Endowment Funds	$ 27,042,002	$ -	$ 27,042,002
Donor-Restricted Endowment Funds:	-	-	-
Total	$ 27,042,002	$ -	$ 27,042,002

December 31, 2021	Without Donor Restriction	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	$ 25,395,024	$ -	$ 25,395,024
Contributions	473,535	-	473,535
Net Investment Income	2,624,201	-	2,624,201
Amounts Appropriated for Expenditure	(753,146)	-	(753,146)
Transfers	(697,612)	-	(697,612)
Total	1,646,978	-	1,646,978
Endowment Net Assets - End of Year	$ 27,042,002	$ -	$ 27,042,002

NOTE 16 PRIOR PERIOD RESTATEMENT

Through December 31, 2020, certain board-designated funds were accounted for as net assets with donor restrictions. During 2020, it was determined that these funds did not have donor restrictions and as such, these funds were properly moved to net assets without donor restrictions. In addition, certain funds held for agencies fell under the exception to the variance power rule and were, therefore, properly moved from net assets with donor restrictions to a liability as required under GAAP. Finally, it was determined that two charitable remainder trusts which were accounted for as irrevocable trusts were actually revocable as the beneficiaries could subsequently be changed. These were also properly moved from net assets with donor restrictions to a liability as required under GAAP.

NOTE 16 PRIOR PERIOD RESTATEMENT (CONTINUED)

The effect on the net assets as presented on the consolidated statement of activities is summarized as follows:

	Unrestricted	With Donor Restrictions	Total
Net Assets as of December 31, 2020, as Previously Reported	$ 23,996,637	$ 21,662,088	$ 45,658,725
Board-Designated Funds	9,895,752	(9,895,752)	-
Funds Held for Local Jewish Agencies	-	(6,001,971)	(6,001,971)
Trusts Payable	-	(1,086,208)	(1,086,208)
Net Assets as of December 31, 2020, as Restated	$ 33,892,389	$ 4,678,157	$ 38,570,546

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Jewish Federation	Toledo Jewish Community Foundation	Total Jewish Federation	UJC Holdings, Inc.	Eliminations	Total
ASSETS						
CURRENT ASSETS						
Cash and Cash Equivalents	$ 500,660	$ 193,031	$ 693,691	$ 32,726	$ -	$ 726,417
Accounts Receivable	68,189	-	68,189	-	-	68,189
Grants and Pledges Receivable	89,881	-	89,881	-	-	89,881
Prepaid Expenses and Other Assets	28,090	-	28,090	44,000	-	72,090
Total Current Assets	686,820	193,031	879,851	76,726	-	956,577
Prepaid Rent, Net of Current Portion (Note 8)	-	-	-	704,000	-	704,000
Net Property and Equipment (Note 5)	203,126	-	203,126	1,096,651	-	1,299,777
Investments (Note 4 and 6)	15,701,011	43,287,179	58,988,190	-	-	58,988,190
Beneficial Interest in Perpetual Trusts (Note 4 and 12)	3,521,996	-	3,521,996	-	-	3,521,996
Intangible Asset (Note 8)	-	-	-	850,000	-	850,000
Cash Surrender Value of Life Insurance (Note 7)	-	1,499,502	1,499,502	-	-	1,499,502
Total Assets	$ 20,112,953	$ 44,979,712	$ 65,092,665	$ 2,727,377	$ -	$ 67,820,042
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts Payable and Accrued Liabilities	$ 46,491	$ 2,367	$ 48,858	$ (434)	$ -	$ 48,424
Current Portion of Deferred Gain on Sale of Property (Note 8)	-	-	-	94,000	-	94,000
Deferred Revenue	36,563	-	36,563	-	-	36,563
Total Current Liabilities	83,054	2,367	85,421	93,566	-	178,987
Deferred Gain on Sale of Property, Net of Current Portion (Note 8)	-	-	-	1,504,000	-	1,504,000
Trusts Payable (Note 6)	-	2,639,444	2,639,444	-	-	2,639,444
Funds Held for Local Jewish Agencies (Note 13)	-	6,444,157	6,444,157	-	-	6,444,157
Investment Held for Associated Affiliate Organization (Note 3)	15,594,052	-	15,594,052	-	-	15,594,052
Total Liabilities	15,677,106	9,085,968	24,763,074	1,597,566	-	26,360,640
NET ASSETS						
Without Donor Restrictions:						
Designated (Note 14)	-	27,042,002	27,042,002	-	-	27,042,002
Undesignated	913,851	7,352,240	8,266,091	1,129,811	-	9,395,902
Total Net Assets Without Donor Restrictions	913,851	34,394,242	35,308,093	1,129,811	-	36,437,904
With Donor Restrictions:						
Restricted for Passage of Time - Cash Surender Value of Life Insurance	-	1,499,502	1,499,502	-	-	1,499,502
Perpetual in Nature - Beneficial Interest in Perpetual Trusts	3,521,996	-	3,521,996	-	-	3,521,996
Total With Donor Restrictions	3,521,996	1,499,502	5,021,498	-	-	5,021,498
Total Net Assets	4,435,847	35,893,744	40,329,591	1,129,811	-	41,459,402
Total Liabilities and Net Assets	$ 20,112,953	$ 44,979,712	$ 65,092,665	$ 2,727,377	$ -	$ 67,820,042

JEWISH FEDERATION OF GREATER TOLEDO
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Jewish Federation	Toledo Jewish Community Foundation	Total Jewish Federation	UJC Holdings, Inc.	Eliminations	Total
REVENUE, SUPPORT, AND GAINS						
Support:						
Annual Campaign Pledges	$ 1,428,576	$ -	$ 1,428,576	$ -	$ (305,166)	$ 1,123,410
Contributions	142,546	554,139	696,685	-	(11,616)	685,069
Grants	242,740	-	242,740	35,690	(179,185)	99,245
United Way, Donor-Directed Contributions	515	-	515	-	-	515
Jewish Senior Services Supporting Organization	573,357	-	573,357	18,350	-	591,707
Allocations	540,308	-	540,308	79,671	(472,617)	147,362
Revenue and Gains:						
Program Service Fees	82,130	-	82,130	-	-	82,130
Tuition and Books, Net	103,971	-	103,971	-	-	103,971
Investment Income, Net	11,637	3,907,353	3,918,990	-	-	3,918,990
Rental Revenue	-	6,000	6,000	-	-	6,000
Gain (Loss) on Disposal of Property and Equipment	(20,089)	-	(20,089)	141,000	-	120,911
Other	38,386	55,497	93,883	-	(9,750)	84,133
Net Assets Released from Restrictions	-	-	-	-	-	-
Total Revenue, Support, and Gains	3,144,077	4,522,989	7,667,066	274,711	(978,334)	6,963,443
EXPENSES						
Program:						
Cemetery	233,771	9,000	242,771	-	-	242,771
Grants	239,192	1,395,813	1,635,005	-	(968,584)	666,421
Senior and Family Social Services	476,214	-	476,214	-	-	476,214
Education	270,882	64,850	335,732	-	-	335,732
Federation	994,500	-	994,500	-	-	994,500
UJC Holdings	-	-	-	321,918	-	321,918
Total Program	2,214,559	1,469,663	3,684,222	321,918	(968,584)	3,037,556
Administrative	289,542	53,989	343,531	-	-	343,531
Foundation and Other Financial Resource Development	215,181	494,674	709,855	-	-	709,855
Total Expenses	2,719,282	2,018,326	4,737,608	321,918	(968,584)	4,090,942
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS BEFORE TRANSFERS	424,795	2,504,663	2,929,458	(47,207)	(9,750)	2,872,501
Transfer to Affiliated Entity	-	(250,000)	(250,000)	-	-	(250,000)
Change in Net Assets Without Donor Restrictions	424,795	2,254,663	2,679,458	(47,207)	(9,750)	2,622,501
NET ASSETS WITH DONOR RESTRICTIONS						
Contribution	-	-	-	-	-	-
Change in Cash Surrender Value of Life Insurance	-	53,109	53,109	-	-	53,109
Change in Value of Beneficial Interest in Perpetual Trusts	213,246	-	213,246	-	-	213,246
Net Assets Released from Restrictions	-	-	-	-	-	-
Changes in Net Assets With Donor Restrictions	213,246	53,109	266,355	-	-	266,355
CHANGE IN NET ASSETS	638,041	2,307,772	2,945,813	(47,207)	(9,750)	2,888,856
Net Assets - Beginning of Year (as Restated - Note 16)	3,797,806	33,585,972	37,383,778	1,177,018	9,750	38,570,546
NET ASSETS - END OF YEAR	$ 4,435,847	$ 35,893,744	$ 40,329,591	$ 1,129,811	$ -	$ 41,459,402