



The Jewish Federation
OF OMAHA

JEWISH FEDERATION OF OMAHA, INC.

Consolidated Financial Statements and
Supplemental Financial Information

June 30, 2024,
with Comparative Totals for 2023

(Together with Independent Auditor's Report)



JEWISH FEDERATION OF OMAHA, INC.

Table of Contents

**JUNE 30, 2024,
WITH COMPARATIVE TOTALS FOR 2023**

	<u>Page</u>
Independent Auditor's Report	1
Consolidated Financial Statements:	
Consolidated Statement of Financial Position, June 30, 2024, with Comparative Totals for 2023	4
Consolidated Statement of Activities, For the Year Ended June 30, 2024, with Comparative Totals for 2023	5
Consolidated Statement of Functional Expenses, For the Year Ended June 30, 2024, with Comparative Totals for 2023	6
Consolidated Statement of Cash Flows, For the Year Ended June 30, 2024, with Comparative Totals for 2023	8
Notes to Consolidated Financial Statements, June 30, 2024, with Comparative Totals for 2023	9
Supplementary Information:	
Schedule 1 - Net Assets without Restriction Current Fund - Program Revenue by Program Service, For the Year Ended June 30, 2024, with Comparative Totals for 2023	31



Independent Auditor's Report

To the Board of Directors
Jewish Federation of Omaha, Inc. and Affiliates
Omaha, Nebraska:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the financial statements of the Jewish Federation of Omaha, Inc. and Affiliates (the Federation), which comprise the consolidated statement of financial position as of June 30, 2024, 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 (collectively, the financial statements).

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Federation as of June 30, 2024, and the changes in its 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Federation 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 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; and for 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 the Federation'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Federation's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the 2023 financial statements of the Federation, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 12, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information in Schedule 1 for the year ended June 30, 2024 is presented for the purposes of additional analysis and is 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.

Eide Bailly LLP

Omaha, Nebraska

January 17, 2025



JEWISH FEDERATION OF OMAHA, INC.
 Consolidated Statement of Financial Position
 June 30, 2024
 With Comparative Totals for 2023

Assets	Without Donor Restriction	With Donor Restriction	Total	
			2024	2023
Cash and cash equivalents	\$ 338,760	1,015,682	1,354,442	309,604
Investments, including investments limited as to use	99,087,645	34,427,759	133,515,404	125,686,922
Promises to give, net	1,763,839	3,159,868	4,923,707	5,935,162
Resident and other receivables	981,093	--	981,093	1,111,773
Beneficial interest in charitable remainder trust assets and other split interest agreements	--	747,297	747,297	3,081,873
Other assets	486,102	--	486,102	641,813
Property, buildings, and equipment, net	46,121,085	--	46,121,085	43,348,529
Restricted construction in progress	--	3,437,336	3,437,336	--
Total assets	\$ 148,778,524	42,787,942	191,566,466	180,115,676
Liabilities and Net Assets				
Liabilities:				
Accounts payable -trade	\$ 923,980	--	923,980	1,165,060
Accounts payable-property, buildings and equipment	278,504	--	278,504	134,601
Accrued expenses	1,243,838	--	1,243,838	1,181,775
Contract liability	917,446	--	917,446	892,277
Annuities and trusts payable	--	--	--	98,569
Custodial funds	10,494,002	--	10,494,002	10,343,468
JCC Capital Project line of credit	5,214,254	--	5,214,254	5,105,955
Total liabilities	19,072,024	--	19,072,024	18,921,705
Net assets	129,706,500	42,787,942	172,494,442	161,193,971
Total liabilities and net assets	\$ 148,778,524	42,787,942	191,566,466	180,115,676

See notes to consolidated financial statements



JEWISH FEDERATION OF OMAHA, INC.

Consolidated Statement of Activities
For the Year Ended June 30, 2024
With Comparative Totals for 2023

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>	
			<u>2024</u>	<u>2023</u>
Public support, program and investment revenue:				
Public support:				
Contributions	\$ 4,255,194	11,044,229	15,299,423	13,049,235
Government grants and credits	115,496	75,000	190,496	221,971
Grants	626,663	3,000	629,663	639,469
Total public support	<u>4,997,353</u>	<u>11,122,229</u>	<u>16,119,582</u>	<u>13,910,675</u>
Program revenue:				
Resident service revenue-				
Private pay and ancillary	6,182,928	--	6,182,928	5,105,883
Medicaid fees revenue	2,437,850	--	2,437,850	3,518,147
Medicare fees revenue	2,440,615	--	2,440,615	1,660,323
Other insurance	435,378	--	435,378	469,648
Program services	5,587,046	--	5,587,046	5,491,248
Membership dues	4,836,253	--	4,836,253	4,532,544
Rental income	718,335	--	718,335	833,883
Advertising	106,845	--	106,845	70,768
Miscellaneous	120,359	--	120,359	126,224
Net loss on fixed assets	--	--	--	(828)
Total program revenue	<u>22,865,609</u>	<u>--</u>	<u>22,865,609</u>	<u>21,807,840</u>
Investment revenue:				
Change in value of split interest agreements	--	247,687	247,687	222,224
Investment income	2,335,777	311,874	2,647,651	3,857,137
Realized gain on investments, net	2,976,716	569,334	3,546,050	644,158
Unrealized gain (loss) on investments, net	5,715,730	903,142	6,618,872	4,487,597
Total investment revenue, net	<u>11,028,223</u>	<u>2,032,037</u>	<u>13,060,260</u>	<u>9,211,116</u>
Total public support, program and investment revenue, net	<u>38,891,185</u>	<u>13,154,266</u>	<u>52,045,451</u>	<u>44,929,631</u>
Net assets released from restrictions	7,896,696	(7,896,696)	--	--
Expenses:				
Program services:				
Jewish Community Center	12,538,901	--	12,538,901	11,635,032
Rose Blumkin Jewish Home	14,552,451	--	14,552,451	13,703,459
Community Engagement and Education	1,390,177	--	1,390,177	1,161,445
Jewish Family Service	537,209	--	537,209	640,670
Community Relations Committee	764,966	--	764,966	691,023
Jewish Senior Outreach	449,994	--	449,994	467,664
Jewish Press	492,282	--	492,282	473,505
Jewish Federation and Foundation	559,080	--	559,080	495,850
Federation Manor, Inc.	381,874	--	381,874	384,652
Nebraska Jewish Historical Society	121,419	--	121,419	--
Federation Management and general	939,220	--	939,220	864,567
Federation fundraising	982,778	--	982,778	997,780
Foundation fundraising	641,028	--	641,028	676,258
Occupancy	751,480	--	751,480	754,169
Contributions to nonprofit organizations and assistance:				
Jewish Federation of North America	550,000	--	550,000	600,000
Other	5,092,121	--	5,092,121	2,816,769
Total expenses	<u>40,744,980</u>	<u>--</u>	<u>40,744,980</u>	<u>36,362,843</u>
Change in restrictions	2,819,644	(2,819,644)	--	--
Change in net assets	8,862,545	2,437,926	11,300,471	8,566,788
Net assets at beginning of year	120,843,955	40,350,016	161,193,971	152,627,183
Net assets at end of year	<u>\$ 129,706,500</u>	<u>42,787,942</u>	<u>172,494,442</u>	<u>161,193,971</u>

See notes to consolidated financial statements



JEWISH FEDERATION OF OMAHA, INC.
 Consolidated Statement of Functional Expenses
 For the Year Ended June 30, 2024
 With Comparative Totals for 2023

	Jewish Community Center			Rose Blumkin Jewish Home			Program Services				
	Program Services	Supporting Services	Total	Program Services	Supporting Services	Total	Community Engagement & Education	Jewish Family Service	Community Relations Committee	Jewish Senior Outreach	Jewish Press
Salaries—professional	\$ 821,775	361,064	1,182,839	662,176	397,912	1,060,088	241,147	177,655	227,323	139,898	148,618
Salaries—program	3,453,826	277,105	3,730,931	7,232,705	86,635	7,319,340	7,638	509	65,143	97,218	20,688
Employee health and benefits	585,027	95,386	680,413	891,677	43,604	935,281	40,475	20,915	33,444	44,923	24,441
Payroll taxes	352,421	48,761	401,182	603,093	37,522	640,615	17,962	14,017	22,760	18,990	13,449
Total salaries and related expenses	5,213,049	782,316	5,995,365	9,389,651	565,673	9,955,324	307,222	213,096	348,670	301,029	207,196
Program operating costs	523,977	217,724	741,701	1,931,406	62,512	1,993,918	139,695	35,893	173,193	67,875	13,901
Occupancy—allocated	1,649,267	--	1,649,267	--	--	--	1,996	25,992	27,183	--	12,449
Occupancy—expensed	29,719	32,590	62,309	571,130	--	571,130	1,317	6,409	352	70	--
Central services	--	645,806	645,806	--	436,444	436,444	62,651	59,100	88,906	28,239	89,471
Professional fees	13,104	--	13,104	62,726	18,560	81,286	63,678	--	--	--	2,300
Mortgage interest	--	--	--	--	--	--	--	--	--	--	--
Supplies	95,886	143,501	239,387	187,735	50,319	238,054	5,223	8,018	4,883	10	4,263
Printing and publications	7,456	26,371	33,827	431	1,920	2,351	4,600	1,139	11,397	2	40,831
Assistance to organizations	--	--	--	--	--	--	90,050	--	--	--	--
Local transportation	5,391	1,523	6,914	53,333	4,567	57,900	8,184	1,260	278	43,001	--
Assistance to individuals	--	--	--	--	--	--	512,864	82,365	777	--	--
Dues	20,467	29,198	49,665	58,340	38,319	96,659	4,107	2,092	445	211	1,402
Postage and shipping	2,193	5,490	7,683	11,790	4,704	16,494	1,002	463	815	--	41,560
Laundry	31,559	1,517	33,076	--	--	--	--	--	--	--	--
Conferences, and meetings	2,355	--	2,355	1,848	9,618	11,466	10,542	45	2,595	60	--
Telephone	--	300	300	9,348	2,388	11,736	955	516	842	2,202	--
Miscellaneous	3,919	2,526	6,445	16,265	51,414	67,679	455	5,940	687	4,432	832
Total expenses before depreciation and contributions	7,598,342	1,888,862	9,487,204	12,294,003	1,246,438	13,540,441	1,214,541	442,328	661,023	447,131	414,205
Depreciation	2,793,972	257,725	3,051,697	1,012,010	--	1,012,010	175,636	94,881	103,943	2,863	78,077
Contributions to nonprofit organizations	--	--	--	--	--	--	--	--	--	--	--
2024 Total expenses	\$ 10,392,314	2,146,587	12,538,901	13,306,013	1,246,438	14,552,451	1,390,177	537,209	764,966	449,994	492,282
2023 Total expenses	\$ 9,543,848	2,091,184	11,635,032	12,400,896	1,302,563	13,703,459	1,161,445	640,670	691,023	467,664	473,505

See notes to consolidated financial statements



JEWISH FEDERATION OF OMAHA, INC.
 Consolidated Statement of Functional Expenses
 For the Year Ended June 30, 2024
 With Comparative Totals for 2023

	Program Services			Supporting Services					Total			
	Jewish Federation and Foundation	Federation Manor, Inc.	Nebraska Jewish Historical Society	Management and General	Jewish Federation Fund-raising	Jewish Foundation Fund-raising	Occupancy	Central Services	Program Services	Support Services	Total	
											2024	2023
Salaries—professional	\$ --	--	73,621	503,921	284,303	394,670	5,482	1,077,693	2,492,213	3,025,045	5,517,258	5,242,469
Salaries—program	10,002	--	185	39,972	75,243	23,347	834,101	110,421	10,887,914	1,446,824	12,334,738	11,162,927
Employee health and benefits	--	--	231	40,361	48,832	25,221	131,283	197,627	1,641,133	582,314	2,223,447	1,873,537
Payroll taxes	884	--	5,527	34,824	28,909	31,180	72,488	89,628	1,049,103	343,312	1,392,415	1,287,678
Total salaries and related expenses	10,886	--	79,564	619,078	437,287	474,418	1,043,354	1,475,369	16,070,363	5,397,495	21,467,858	19,566,611
Program operating costs	182,043	318,161	14,729	41,646	133,442	30,451	21,676	34,686	3,400,873	542,137	3,943,010	3,739,799
Occupancy-allocated	--	--	15,528	93,929	8,529	--	(1,834,873)	--	1,732,415	(1,732,415)	--	--
Occupancy-expensed	2,680	41,254	(104)	3,558	1,078	--	1,278,003	37	652,827	1,315,266	1,968,093	1,911,868
Central services	13,125	--	7,076	(13,125)	175,543	88,483	--	(1,681,719)	348,568	(348,568)	--	(2,852)
Professional fees	7,691	6,418	--	23,443	8,000	21,245	--	145,822	155,917	217,070	372,987	414,242
Mortgage interest	--	--	--	--	181,052	--	--	--	--	181,052	181,052	188,047
Supplies	280	--	1,322	17,714	8,495	11,061	21,928	122,042	307,620	375,060	682,680	758,693
Printing and publications	288	--	1,311	5,813	16,841	8,581	189	(42,319)	67,455	17,396	84,851	137,750
Assistance to organizations	72,992	--	--	--	--	--	--	--	163,042	--	163,042	154,458
Local transportation	--	--	129	232	--	736	7,879	--	111,576	14,937	126,513	123,392
Assistance to individuals	121,900	--	--	1,076	--	--	1,665	--	717,906	2,741	720,647	674,155
Dues	77,190	--	229	5,652	611	839	11,593	121,384	164,483	207,596	372,079	347,636
Postage and shipping	5	--	339	2,494	5,863	4,945	46	71	58,167	23,613	81,780	75,056
Laundry	--	--	--	--	--	--	4,785	--	31,559	6,302	37,861	32,200
Conferences and meetings	--	--	--	19,450	6,037	214	4,982	2,792	17,445	43,093	60,538	91,936
Telephone	--	--	--	2,685	--	--	4,698	3,385	13,863	13,456	27,319	26,646
Miscellaneous	70,000	--	1,296	5,502	--	55	33	3,972	103,826	63,502	167,328	144,720
Total expenses before depreciation and contributions	559,080	365,833	121,419	829,147	982,778	641,028	565,958	185,522	24,117,905	6,339,733	30,457,638	28,384,357
Depreciation	--	16,041	--	110,073	--	--	--	--	4,277,423	367,798	4,645,221	4,561,717
Contributions to nonprofit organizations	5,642,121	--	--	--	--	--	--	--	5,642,121	--	5,642,121	3,416,769
2024 Total expenses	\$ 6,201,201	381,874	121,419	939,220	982,778	641,028	565,958	185,522	34,037,449	6,707,531	40,744,980	36,362,843
2023 Total expenses	\$ 3,912,619	384,652	--	864,567	997,780	676,258	754,169	--	29,676,322	6,686,521		

See notes to consolidated financial statements



JEWISH FEDERATION OF OMAHA, INC.

Consolidated Statement of Cash Flows

For the Year Ended June 30, 2024

With Comparative Totals for 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 11,300,471	8,566,788
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributions and investment income -		
Contributions for property, buildings and equipment	(3,314,041)	(2,373,463)
Contributions with donor restrictions -endowments	(1,074,513)	(1,655,607)
Change in value of split interest agreements, net	2,334,576	(214,669)
Unrealized (gain) loss on investments	(6,618,872)	(4,487,597)
Depreciation	4,645,221	4,561,717
Decrease (increase) in:		
Promises to give, net	1,011,455	539,425
Resident and other receivables	130,680	(152,553)
Other assets	155,711	(146,323)
Increase (decrease) in:		
Accounts payable -trade	(241,080)	416,997
Accrued expenses	62,063	(320,395)
Contract liability	25,169	(148,533)
Annuities and trusts payable	(98,569)	(7,555)
Custodial funds, net	150,534	(66,129)
Net cash provided by (used in) operating activities	<u>8,468,805</u>	<u>4,512,103</u>
Cash flows from investing activities:		
Deposits to investments	(33,234,910)	(26,739,501)
Withdrawals from investments	32,025,299	24,440,879
Purchase of Property, buildings, and equipment	(10,711,209)	(4,167,628)
Net cash used in investing activities	<u>(11,920,820)</u>	<u>(6,466,250)</u>
Cash flows from financing activities:		
Proceeds from JCC Capital Project line of credit	889,395	1,040,844
Payments on JCC Capital Project line of credit	(781,096)	(1,299,115)
Principal payments on mortgage payable	--	(81,574)
Contributions and investment income -		
Donor restricted for property, buildings, and equipment	3,314,041	1,403,091
Contributions with donor restrictions	1,074,513	723,699
Net cash provided by financing activities	<u>4,496,853</u>	<u>1,786,945</u>
Increase (decrease) in cash and cash equivalents	1,044,838	(167,202)
Cash and cash equivalents at beginning of year	309,604	476,806
Cash and cash equivalents at end of year	<u>\$ 1,354,442</u>	<u>309,604</u>
Supplemental disclosure of cash flow information:		
Interest paid	\$ 187,038	188,047

See notes to consolidated financial statements



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

1) Principles of Consolidation and Summary of Significant Accounting Policies

The following indicates principles of consolidation and provides a summary of significant accounting policies. These policies are in accordance with accounting principles generally accepted in the United States of America.

(a) *Principles of Consolidation*

The consolidated financial statements include the accounts of the Jewish Federation of Omaha, Inc. and its affiliated entities, Federation Manor, Inc.; Jewish Federation of Omaha Foundation; and the Pardes Foundation (collectively, the Federation). The Jewish Federation of Omaha, Inc. is a not-for-profit corporation created to provide for the social, educational, and welfare activities of the Jewish Community of Omaha through constituent agencies and supports activities of the national and international Jewish community. Federation Manor, Inc. owns and operates a 52-unit apartment complex for the elderly, funded in part by the U.S. Department of Housing and Urban Development (HUD). The Jewish Federation of Omaha Foundation and the Pardes Foundation are supporting organizations of the Jewish Federation of Omaha, Inc. All significant intercompany balances and transactions have been eliminated.

(b) *Basis of Presentation*

The Federation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors. These consolidated financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Federation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into the following classes of net assets:

Net assets without donor restrictions are those net assets not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Federation. Net assets without donor restrictions include undesignated net assets and net assets subject to designation by the Board of Directors.

Net assets with donor restrictions are net assets subject to restrictions imposed by donors. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

(c) Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires the Federation to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates and those differences could be material.

(d) Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid debt instruments with original maturities of three months or less. Cash and cash equivalents representing perpetually restricted assets and annuity and life income funds are included in investments.

(e) Liquidity and Availability

Financial assets available within one year of the consolidated statement of financial position date for general expenditure are as follows:

	<u>2024</u>	<u>2023</u>
Financial assets:		
Cash and cash equivalents	\$ 1,354,442	309,604
Investments, including investments limited as to use	133,515,404	125,686,922
Promises to give, net	4,923,707	5,935,162
Resident and other receivables	981,093	1,111,773
Beneficial interest in charitable remainder trust assets and other split interest agreements	<u>747,297</u>	<u>3,081,873</u>
	<u>141,521,943</u>	<u>136,125,334</u>
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restriction -		
Donor advised funds	35,727,565	30,039,867
Custodial funds	10,494,002	10,343,468
Donor restricted	35,175,056	36,006,599
Donor restricted pledge for construction project	3,159,868	4,125,795
Donor restricted cash and cash equivalent for construction project	1,015,682	217,622
Board designations	<u>28,014,584</u>	<u>26,922,879</u>
Total unavailable	<u>113,586,757</u>	<u>107,656,230</u>
Financial assets available for general expenditures	<u>\$ 27,935,186</u>	<u>28,469,104</u>

The Federation endowment funds consist of donor-restricted endowment and quasi-endowment funds. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. The payout rate for most endowments and the quasi-endowments is 5% for the next 12 months. Total endowment revenue for the next 12 months is \$888,102. Federation's policy is to structure financial assets to be available as its general expenditures, liabilities and other obligations come due. See Note 4 for additional information on endowment policy, balances and activity.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

In addition, cash available within general operations that exceeds daily requirements is invested in an FDIC insured sweep account to minimize risk and generate interest income. Although it is anticipated that liquid funds are sufficient to cover anticipated obligations, the Federation also has Board Designated and quasi-endowment funds available. Although the Federation does not intend to spend principal from these funds other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from the funds could be made available if necessary. However, a portion of these funds may contain investments with lock-up provisions that would reduce the total amounts that could be made available within 12 months.

As part of the Federation's cash management strategy related to the JCC Capital Project, the Federation has obtained a \$15 million multiple draw line of credit (Note 7) to cover project costs as donor pledges are being received.

(f) Investments

Investments in equity securities and mutual funds with readily determinable fair values and all investments in debt securities are measured at fair value based on published or quoted market prices in the consolidated statement of financial position with gains and losses included in the consolidated statement of activities. Investments in securities traded on a national securities exchange are valued at the latest quoted market prices. Insurance policies are valued at cash surrender value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments.

Certain investments, as well as limited liability partnerships and corporations, are valued by management based on net asset value per share that is compiled by fund administrators determined on an accrual basis of accounting. Net asset value per share is determined as follows: (1) securities that are listed on a national securities exchange or traded over the counter and are freely transferable are valued at their last sales price on the date of determination, or, if no sales occurred on such day, at the "bid" price at the close of business on such day quoted by the National Association of Securities Dealers, Inc.'s Automatic Quotation System, or, if not quoted on such system, by one of the principal market makers in such securities; (2) investments in managed accounts or investment partnerships, are valued utilizing the most recent relevant information or performance reports of any such managed account or investment partnerships; and (3) all other securities/investments are challenged for reasonableness of the assumptions and methodology used by managers to ensure the estimated fair value complies with accounting standards generally accepted in the United States.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Other investment return is reflected in the consolidated statement of activities as with donor restriction and without donor restriction based upon the existence and nature of any donor or legally imposed restrictions. The Federation maintains pooled investment accounts for its endowment. Investment income as well as realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest on each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

(g) Resident Receivable

The Federation reports resident receivables at amounts reflecting consideration to which the Federation expects to be entitled from third party payors, residents, and others. As a service to residents, the Federation bills third-party payors directly and bills residents when the resident's liability is determined. Resident receivables are due in full when billed. Payments for services are expected within thirty days of receipt of the billing. Accounts considered past due are sent to collections when internal collection efforts have been unsuccessful. The Federation does not charge interest on outstanding balances owed.

Resident receivables, with resident and other receivables in the consolidated statement of financial position, as of June 30, 2024, and 2023 were \$981,093 and \$1,111,773, respectively.

(h) Allowance for Credit Losses

The Federation records credit losses for patient and other accounts receivable based on the current expected credit losses. Credit losses are recorded after consideration of any implicit or explicit price concessions. Management believes that the historical loss information it has compiled is a reasonable base on which to determine expected credit losses at June 30, 2024 and 2023 because the composition of the patient and other receivables at those dates are consistent with that used in developing the historical credit loss percentages. Additionally, the Federation has determined that current and reasonable forecasted economic conditions are consistent with the economic conditions included in the historical information. The allowance for credit losses at June 30, 2024 and 2023 was \$-0- for both periods.

(i) Beneficial Interest in Charitable Remainder Trust Assets and Other Split Interest Agreements

The Federation has been named the beneficiary of several irrevocable charitable remainder trust agreements in which the Federation will receive certain funds upon termination of each trust. The Federation recognizes contribution revenue for charitable remainder trusts at the present value of the estimated future benefits to be received. The Federation recognizes contribution revenue in the period in which the trusts are established or when they receive notice of the trust's existence. Adjustments to the receivable to reflect amortization of the discount, revaluation of the present value of the estimated future payments to the beneficiary, and changes in actuarial assumptions during the term of the trust are recognized as a change in the value of split interest agreements. Upon the death of the beneficiary, the receivable is closed, the assets received from the trust are recognized at fair value, and any difference is reported as a change in the value of split interest agreements.

(j) Property, Buildings, and Equipment, net

Property, buildings, and equipment are recorded at cost. The Federation maintains a capitalization policy of \$2,500. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method based on the following lives:

Land and land improvements	10 – 15 Years
Buildings and improvements	10 – 50 Years
Equipment, furniture and fixtures	5 – 10 Years
Vehicles	3 – 5 Years

Maintenance and repairs are expensed as incurred. The cost and related accumulated depreciation of assets sold or disposed of are removed from the accounts, and the resulting gain or loss is included in the consolidated statement of activities.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

Gifts of long-lived assets such as land, buildings or equipment are reported as contributions. 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 reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed into service.

The Federation evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value, and an impairment loss is recognized as the amount by which the carrying amount of the long-lived asset exceeds its fair value. There were no indications of asset impairment during the year ended June 30, 2024.

(k) Contract Liability

The Jewish Community Center receives membership dues and program service fees before services are provided by the Federation. These receipts are recorded as a contract liability and are recognized as revenue as services are rendered.

(l) Custodial Funds and Donor Advised Funds

Custodial Funds –

The Federation holds assets in trust for various organizations in a fiduciary capacity. The Federation manages the assets and can only make distributions at the request of the owners. The assets are included in investments and the liabilities are included in custodial funds on the consolidated statement of financial position.

A summary of custodial funds as of June 30, 2024, and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Schrager Supporting Foundation	\$ 2,295,323	2,350,062
Goldstein Supporting Foundation	7,430,148	6,946,072
Friedel Jewish Academy	27,194	375,175
Murray and Sharee Newman	274,113	194,118
Others	467,224	478,041
Total	\$ <u>10,494,002</u>	<u>10,343,468</u>

Donor Advised Funds –

The Federation has received contributions for which the donor specifies one or more individuals to serve as advisors of the funds. The fund advisors can recommend distributions from the fund but control of the assets and the final decision to distribute funds resides with the Federation.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

(m) Program Revenue

Resident Service Revenue

Resident service revenue is reported at the amount that reflects the consideration to which the Federation expects to be entitled in exchange for providing resident care. These amounts are due from residents, third-party payors (including health insurers and government programs), and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. The Federation bills self-pay residents at the beginning of the month, prior to the provision of services. Third party payors are billed after services are performed or the resident is discharged from care. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Federation. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided, and the Federation does not believe it is required to provide additional goods or services to the resident. The Federation has no revenue for performance obligations satisfied over time.

The Federation determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured residents in accordance with the Federation's policy, and or implicit price concessions provided to uninsured residents. The Federation determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies and historical experience. The Federation determines its estimate of implicit price concessions based on historical collection experience with various classes of residents.

Generally, residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Federation provides services to uninsured residents, and offers those uninsured residents a discount, either by policy or law, from standard charges. The Federation estimates the transaction price for residents with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts and implicit price concessions. Subsequent changes to the estimate of the transaction price are recorded as adjustments to resident service revenue in the period of change. For the year ended June 30, 2024, no additional revenue was recognized due to changes in estimates of implicit price concessions for performance obligations satisfied in prior years.

Consistent with the Federation's mission, care is provided to residents regardless of their ability to pay. Therefore, the Federation has determined it has provided implicit price concessions to uninsured residents and to residents with uninsured balances (copays and deductibles). The implicit price concessions included in estimating transaction price represent the difference between amounts billed and the amount the Federation expects to collect based on collection history.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

The Federation has elected the practical expedient and does not adjust the estimated amount of consideration from residents and third-party payors for the effects of a significant financing component due the Federation's expectation that the period between the time service is provided to the resident and the time that the resident or third-party payor pays for that service will be one year or less. However, the Federation does, in certain instances, enter into payment agreements with residents that allow payments in excess of one year. In these cases, the financing component is deemed to be insignificant to the contract.

Program Services and Membership Dues

The Federation recognizes revenue from Jewish Community Center (JCC) membership dues over the membership period, which is generally one year. The performance obligation consists of providing members with continuous access to the fitness center and its amenities and is recognized ratably as services are simultaneously received and consumed by the members. Dues vary by member based on location and number of covered members under the agreement.

The JCC, as well as other Federation agencies, provide camps, fitness classes, and other programs as part of its service offerings. Program service revenue is recognized once the program is held and the service has been provided. Program service revenue for the years ended June 30, 2024, and 2023 was \$5,587,046 and \$5,491,248, respectively.

Membership dues paid in advance are recognized as contract liabilities and are deferred to the membership period to which they relate. All other amounts paid in advance are deferred to the period in which the underlying sale, event or program takes place. Due to the nature and timing of the performance and/or transfer of services and products, substantially all contract liabilities each year are recognized in the following year. Membership due revenue for the years ended June 30, 2024, and 2023 was \$4,836,253 and \$4,532,544, respectively.

The following table provides information about significant changes in contract liability from membership dues for the year ended June 30, 2024, and 2023:

	<u>2024</u>	<u>2023</u>
Contract liability, beginning balance	\$ 892,277	1,040,810
Contract liability, ending balance	\$ 917,446	892,277

(n) Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date when the conditions are substantially met, and the gift becomes unconditional. If contributions are received with donor restrictions that limit the use of the donated assets it is reported as a contribution with donor restrictions. When a donor restriction expires; that is, when a stipulated restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statement of activities. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying consolidated financial statements.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue. Allowance for uncollectible promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promise to give are written off when deemed uncollectible. At June 30, 2024 and 2023, the allowance was \$69,841 and \$81,642, respectively. Donated property is recorded at fair market value on the date it is received or pledged.

(o) *Functional Expenses*

The costs of providing the various programs or activities of the Federation have been summarized on a functional basis in the consolidated statement of functional expenses. Certain expenses, such as accounting and central services, occupancy, and depreciation, are systematically allocated to the individual agencies and programs benefited. Expenses allocated based on square footage include security, property insurance, utilities, general occupancy and related payroll expenses. Expenses, including payroll expenses, allocated on the basis of estimates of time, and effort include costs of the Finance, Human Resources, Marketing and Information Technology departments.

(p) *Contributions to Not-for-Profit Organizations and Assistance Expense*

The Federation makes contributions to synagogues and Jewish entities, awards various scholarships, and provides support to needy individuals. The Federation also makes contributions to the Jewish Federation of North America and other not-for-profit organizations. These contributions to individuals and organizations are recognized as expense in the period in which a commitment to give is made.

(q) *Concentration of Credit Risk*

Financial instruments that potentially subject the Federation to the concentration of credit risk include cash and cash equivalents, investments, and contributions receivable. Investments and cash and cash equivalents are managed within guidelines established by the Board of Directors which, as a matter of policy, limit the amounts that may be invested with one issuer. Concentrations of credit risk with respect to pledges receivable are limited since amounts are due from a number of individual donors or corporations. Concentration of credit risk with respect to resident receivables are limited since amounts are due from multiple residents and insurance companies.

Cash and cash equivalents may include deposits in excess of Federal Deposit Insurance Corporation limits. Management has employed cash management strategies that spread cash deposits across multiple financial institutions to reduce exposure to FDIC limitations. On June 30, 2024, the Federation had approximately \$1,400,000 in excess of FDIC insured limits. This increase in cash balances in excess of FDIC coverage was a temporary situation caused by cash donations received and cash balances necessary for a new construction project. The cash has subsequently been spent on construction costs or invested in US Government T-bills.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

(r) *Income Taxes*

The Federation is a not-for-profit corporation as described in Section 501(c)(3) of the Code and has received a determination letter that it is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The Internal Revenue Service has established standards to be met to maintain the Federation's tax-exempt status. In general, such standards require the Federation to meet a community benefits standard and comply with various laws and regulations.

The Federation accounts for uncertainties in accounting for income tax assets and liabilities using guidance included in FASB ASC 740, *Income Taxes*. The Federation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. The Federation would recognize interest and penalties when incurred. At June 30, 2024 and 2023, the Federation had no uncertain tax positions accrued.

(s) *Comparative Amounts*

The accompanying financial statement includes certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the Federation's audited financial statements for the year ended June 30, 2023, from which the summarized information was derived.

(t) *Adoption of New Accounting Standard*

As of July 1, 2023, the Federation adopted Accounting Standards Update (ASU) *No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASU 2016-13)*, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The CECL model is applicable to the measurement of credit losses on financial assets measured at amortized cost, including trade and loan receivables, and held to maturity debt securities. CECL requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The update also requires that credit losses on available-for-sale debt securities be presented as an allowance rather than a write-down of the security. This standard provides financial statement users with more decision-useful information about the expected losses on financial instruments. The Federation adopted ASU 2016-13 using the modified retrospective review method for all financial assets measured at amortized cost. Results for reporting periods beginning after July 1, 2023, are presented under Topic 326 while prior period amounts continue to be reported in accordance with previously applicable GAAP. The adoption of the new standard did not materially impact the Federation's consolidated statement of activities or cash flows.

(u) *Subsequent Events*

The Federation considered events occurring through January 17, 2025 for recognition or disclosure in the financial statements as subsequent events. That date is the date the financial statements were available to be issued.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

2) Fair Value Measurements

The Federation applies FASB ASC Topic 820 for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques 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 the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Federation has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly through either corroboration or observable market data.
- Level 3 inputs are unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

The consolidated financial statements do not include any nonrecurring fair value measurements relating to assets and liabilities for which the Federation has adopted the provisions of ASC Topic 820.

The following methods and assumptions were used to estimate the fair value for each financial instrument measured at fair value.

Money Market Funds and Insured Cash Sweep: Valued at cost, which approximates fair value due to their short-term nature.

Investment Securities: The fair value of investment securities including equity or bond funds, common stock, U.S. government bonds, State of Israel bonds, and corporate bonds is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. When quoted market prices are available in an active market, the securities are classified within Level 1 of the valuation hierarchy. Securities valued based on market prices provided by recognized broker dealers are classified as Level 2. Market prices provided by these broker dealers are based on inputs such as market-based or independently sourced market parameters including but not limited to yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows.

Beneficial Interest in Charitable Remainder Trust Assets and Other Split Interest Agreements: The fair value of beneficial interests in charitable remainder trust assets and other split interest agreements is classified as Level 3 as the value of these assets are based on the underlying trust assets and actuarial calculations, which are unobservable to market participants.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

	2023				
	Cost	Fair Value			
		Total	Level 1	Level 2	Level 3
Money market funds, at cost	\$ 2,003,370	2,003,370	-	-	-
Insured cash sweep, at cost	1,228,155	1,228,155	-	-	-
Vanguard - Balanced Fund	85,229,767	81,889,655	81,889,655	-	-
State of Israel bonds	1,500,000	1,470,206	1,470,206	-	-
Common stocks	843,232	3,106,860	3,106,860	-	-
U.S. Treasury bills	3,579,017	3,579,017	3,579,017	-	-
U.S. government bonds	877,852	886,922	-	886,922	-
	<u>\$ 95,261,393</u>	94,164,185	<u>90,045,738</u>	<u>886,922</u>	<u>-</u>
Investments at NAV:					
Chicago PEP		29,337,049			
Other		1,822,905			
Other investments:					
Insurance cash value		362,783			
Total investments		<u>125,686,922</u>			

	2023			
	Fair Value			
	Total	Level 1	Level 2	Level 3
Beneficial interest in charitable remainder trust assets and other split interest agreements	\$ <u>3,081,873</u>	<u>-</u>	<u>-</u>	<u>3,081,873</u>

Reconciliation of Level 3 assets for the years ended June 30, 2024 and 2023 are as follows:

Balance, June 30, 2022	\$ 2,859,649
Change in value of beneficial interests	<u>222,224</u>
Balance June 30, 2023	3,081,873
Change in value of beneficial interests	247,687
Distribution received from terminated trusts	<u>(2,582,263)</u>
Balance June 30, 2024	<u>\$ 747,297</u>



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

3) Investments

Investments include amounts limited as to use by donor agreements as well as internally designated by the Board of Directors. The following is a summary of investments by limitation as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
	Total	Total
By donor agreement:		
Custodial	10,494,002	10,523,154
Endowments	37,599,784	34,487,259
Restricted-not endowment	5,667,348	10,467,246
Donor Advised	<u>35,727,565</u>	<u>30,039,867</u>
Total by donor agreements	<u>89,488,699</u>	<u>85,517,526</u>
By Board designation:		
Endowment funds (Quasi)	3,811,976	3,095,500
Campus funds	1,881,553	800,809
Agencies	19,081,445	20,491,002
Scholarships	152,719	122,922
Discretionary	<u>3,086,891</u>	<u>2,412,646</u>
Total by Board designation	<u>28,014,584</u>	<u>26,922,879</u>
Total investment limited as to use	229,943,688	112,440,405
Investments held for operations	8,029,308	5,776,986
Investments held for specific Agency	<u>7,982,813</u>	<u>7,469,531</u>
Total investments, including investments limited as to use	<u>133,515,404</u>	<u>125,686,922</u>

The following is a summary of investments measured using NAV as of June 30, 2024 and 2023:

	<u>2024 Fair Value</u>	<u>2023 Fair Value</u>	<u>Unfunded</u> <u>Commitments</u>	<u>Redemption</u> <u>Frequency and</u> <u>Redemption Notice</u>
Alternative investments -				
Chicago PEP (a)	\$ 29,183,014	29,337,049	None	See (a) below
Other (b)	1,819,528	1,822,905	None	See (b) below



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

The following is a description of investments measured using NAV as of June 30, 2024, and 2023:

- a) Jewish Federation of Metropolitan Chicago Pooled Endowment Portfolio, LLC. (Chicago PEP) – On January 1, 2009, the Federation initiated an investment position in the Jewish Federation of Metropolitan Chicago Endowment Portfolio. This investment position was not independently incorporated from the Jewish Federation of Metropolitan Chicago nor was it a disjointedly managed partnership, but a separate division within that organization holding a portfolio of investments. On July 1, 2011, the Jewish Federation of Metropolitan Chicago transferred its endowment portfolio to a newly formed limited liability company, the Jewish Federation of Metropolitan Chicago Pooled Endowment Portfolio, LLC (Chicago PEP). The Federation, along with other divisions within the Jewish Federation of Metropolitan Chicago, other Chicago based Jewish charities, and other unrelated Jewish Federations across the United States, shares in the investment performance of the portfolio based on its percentage of ownership of the Chicago PEP. The Jewish Federation of Metropolitan Chicago is the manager of the Chicago PEP.

Contributions to and withdrawals from the Chicago PEP are allowed monthly. Withdrawals of more than 40% of the investor's asset position are paid in an amount equal to 50% of the redemption request within 60 days of the redemption date. Of the remaining balance, 50% is paid on the next anniversary date and the remaining balance paid at varying percentages over the next five anniversary dates. Redemptions can be suspended during any period when the redemption of capital would not be reasonable or practicable or would be prejudicial to the non-redeeming Members, at the sole discretion of Chicago PEP manager. The Chicago PEP can be dissolved at any time, at the sole discretion of the Chicago PEP manager.

The Chicago PEP invests in many investment fund types that involve public and private funds, partnerships and limited liability corporations. In addition to the risks normally associated with investing activities, many of the investments are alternative investments, including hedge funds, with a variety of related risks and liquidity attributes potentially impacted by underlying lock up restrictions and counterparty credit risks. Valuations depend upon net asset values per share as compiled by management of the hedge funds. A portion of underlying investments are non-marketable securities whose fair values have been estimated by the management and/or administrators of the underlying private investment companies.

The estimated fair values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for investments existed. In addition, as an indirect beneficiary, the Federation does not have direct ownership in the underlying assets limiting the ability to independently verify value, assess risk or liquidate investment positions. Since the manager of the Chicago PEP is the Jewish Federation of Metropolitan Chicago, the Federation's investment could also be exposed to risks associated with actions of the Jewish Federation of Metropolitan Chicago.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

- b) Other – The Federation is invested in an equity limited partnership as of June 30, 2024. This partnership’s investments in securities are highly concentrated in a limited number of publicly traded U.S. common stocks. The substantial size of these positions could affect the partnership’s ability to sell the investments without affecting market price which could affect liquidity and/or sales price. Liquidity of this investment is also affected by withdrawal restrictions, limiting withdrawals to semi-annual distributions.

Unrealized Gains and Losses

The following is a reconciliation of unrealized gain (loss) for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Net unrealized gains at beginning of year	\$ 14,629,474	9,657,663
Net unrealized losses at beginning of year from acquisition	(439)	–
Adjusted unrealized gains at beginning of year	<u>14,629,035</u>	<u>9,657,663</u>
Net unrealized gains at end of year	<u>21,703,595</u>	<u>14,629,474</u>
Total change in unrealized gains (losses)	7,074,560	4,971,811
Change attributable to custodial funds	<u>(455,688)</u>	<u>(484,214)</u>
Net change in unrealized gains	<u>\$ 6,618,872</u>	<u>4,487,597</u>

4) **Endowment**

The Nebraska Uniform Prudent Management of Institutional Funds Act (NUPMIFA) was enacted April 4, 2007. NUPMIFA sets out guidelines to be considered when managing and investing donor restricted endowment funds.

Federation endowments consist of funds established to invest perpetually restricted donations. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments and beneficial interest in trust assets, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Federation has interpreted NUPMIFA as requiring the preservation of the whole dollar value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Federation retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Federation in a manner consistent with the standard of prudence prescribed by NUPMIFA.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

In accordance with NUPMIFA, 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
- The investment policies of the Federation

The composition of net assets by type of endowment fund on June 30, 2024 and 2023 was:

	2024		
	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted endowment funds	4,722,861	32,876,923	37,599,784
Board-designated endowment funds (Quasi)	3,811,976	—	3,811,976
Net assets, end of year	\$ 8,534,837	32,876,923	41,411,760
	2023		
	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted endowment funds	3,547,895	30,939,364	34,487,259
Board-designated endowment funds (Quasi)	3,095,500	—	3,095,500
Net assets, end of year	\$ 6,643,395	30,939,364	37,582,759



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

The following tables present the changes in endowment balances for the years ended June 30, 2024, and 2023:

	2024		
	Without Donor Restriction	With Donor Restriction	Total
Net assets, beginning of year	\$ 6,643,395	30,939,364	37,582,759
Investment return -			
Investment income	66,288	676,100	742,388
Net realized gain	120,164	1,251,217	1,371,381
Net unrealized gain	199,790	1,984,463	2,184,253
Appropriation for expenditure	929,238	(2,260,441)	(1,331,203)
Reclassifications due to change in restriction	112,608	(465,524)	(352,916)
Contributions	463,354	751,744	1,215,098
Net assets, end of year	<u>\$ 8,534,837</u>	<u>32,876,923</u>	<u>41,411,760</u>

	2023		
	Without Donor Restriction	With Donor Restriction	Total
Net assets, beginning of year	\$ 5,480,293	28,932,164	34,412,457
Investment return -			
Investment income	102,144	1,163,587	1,265,731
Net realized gain	34,243	388,678	422,921
Net unrealized gain	98,129	1,081,470	1,179,599
Appropriation for expenditure	257,474	(1,496,794)	(1,239,320)
Reclassifications due to change in restriction	428,638	(428,638)	—
Contributions	242,474	1,298,897	1,541,371
Net assets, end of year	<u>\$ 6,643,395</u>	<u>30,939,364</u>	<u>37,582,759</u>

At June 30, 2024 and 2023, the Federation had appropriated endowment assets with donor restrictions in excess of available earnings from the endowed funds. Below is a summary of the original donor-restricted gifts whereby appropriations have exceeded available earnings:

	2024	2023
Original donor-restricted endowment gifts	\$ 3,433,465	6,643,905
Appropriation in excess of earnings	<u>(409,322)</u>	<u>(490,081)</u>
Net donor-restricted endowment gifts	<u>\$ 3,024,143</u>	<u>6,153,824</u>



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

Return Objectives and Risk Parameters

The Federation has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while complying with all donor-imposed restrictions. Under this policy, as approved by the Board, the endowment assets are invested in a manner that seeks to maximize total returns over long periods of time primarily through capital appreciation.

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 primarily through asset portfolios managed by professional investment management staff of the Chicago PEP and assets purchased on the advice of other investment experts.

Appropriation Policy and How the Investment Objectives Relate to Appropriation Policy

The Federation preserves the whole dollar value of the original gift as of the gift date of donor-restricted endowments, absent explicit donor stipulations to the contrary. Investment income and net appreciation of the donor-restricted endowment funds are deemed appropriated for expenditure when available to be spent.

This spending policy does not apply if the donor otherwise defines or restricts the spendable income of a specific fund. Most of the Federation's endowment funds have donor specified restrictions.

The current policy sets the payout rate at 5% of the market value based on the average of the previous 16 quarters. For most endowment funds this rate is applied after shifting 15% of investment income and net appreciation or depreciation to the perpetual endowment, according to the donor agreement. The payout rate is 4% in the case of endowment funds for which the Federation considers it prudent to limit distributions in compliance with its NUPMIFA responsibilities. The rate is reviewed annually and, if adjusted, is done so by the Jewish Federation of Omaha Foundation Board of Directors upon recommendation of the Jewish Federation of Omaha Foundation Investment Committee.

Earnings in excess of the payout are used to grow the fund over time and provide a hedge against inflation. Unspent dollars remain available for use in future years.

The Federation determines the amount of appropriations for distributions necessary to support continuing operations and the strategic objectives of the Federation. Appropriated, but unspent, funds are included in the donor-restricted and board-designated endowment funds as amounts without donor restrictions.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

5) Promises to Give

On June 30, 2024 and 2023, promises to give are stated at net present value discounted at 2.5% as follows:

	<u>2024</u>	<u>2023</u>
Unconditional promises to give before unamortized discount and allowance for uncollectibles	\$ 5,437,169	6,211,364
Less unamortized discount	<u>443,621</u>	<u>194,560</u>
Subtotal	4,993,548	6,016,804
Less allowance for uncollectibles	<u>69,841</u>	<u>81,642</u>
Net unconditional promise to give	<u>\$ 4,923,707</u>	<u>5,935,162</u>

Unconditional promises to give at June 30, 2024 are expected to be received in the following periods:

	<u>2024</u>					
	<u>Annual Campaign</u>	<u>Capital Campaign</u>	<u>Pickleball Campaign</u>	<u>RBJH Campaign</u>	<u>Security Campaign</u>	<u>Total</u>
2025	\$ 1,734,014	518,597	367,992	830,344	500	3,451,447
2026	-	97,420	-	674,522	33,333	805,275
2027	-	37,000	-	530,925	-	567,925
2028	-	37,000	-	391,307	-	428,307
2029	-	138,000	-	46,215	-	184,215
	<u>\$ 1,734,014</u>	<u>828,017</u>	<u>367,992</u>	<u>2,473,313</u>	<u>33,833</u>	<u>5,437,169</u>

6) Property, Buildings, and Equipment, net

Property, buildings, and equipment consist of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Land and land improvements	\$ 5,216,511	5,200,357
Buildings and improvements	81,768,320	74,256,008
Equipment	7,280,967	5,367,045
Furniture and fixtures	3,855,004	3,721,789
Vehicles	220,029	182,107
Construction in progress	<u>3,786,856</u>	<u>2,547,015</u>
	102,127,687	91,274,321
Less accumulated depreciation	<u>52,569,266</u>	<u>47,925,792</u>
	<u>\$ 49,558,421</u>	<u>43,348,529</u>



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

Construction in progress includes costs incurred for a JCC Capital Project. Certain phases of the project have been placed in service while other phases have not begun. The project has been funded through internal operations as well as donor contributions. It is the Federation's policy to not commit to project components until at least 80% of expected costs are covered with funding commitments from donors.

7) JCC Capital Project Line of Credit

On June 3, 2020, The Federation received a multiple-draw line of credit from Union Bank and Trust Company in the aggregate amount of \$15,000,000. The line of credit balance as of June 30, 2024, and 2023 was \$5,214,254 and \$5,105,955, respectively. The line matures June 2026 and bears interest at a rate of 3.50% per annum with interest payable monthly. The note is in the form of a multiple-draw down line of credit and when funds are advanced, available credit is reduced and not restored when repaid. The line of credit may be prepaid by the Federation at any time prior to maturity with no prepayment penalties. The line of credit is secured by a Negative Pledge Agreement where the Federation will not assign or mortgage its owned property located at 333 South 132nd Street, Omaha, Nebraska. Under terms of the line of credit the Federation is required to maintain a net asset without donor restriction to debt ratio of 2:1 to be tested annually at fiscal year-end.

8) Retirement Plan

The Federation provides all eligible employees with a tax-sheltered annuity that can be used for retirement. The Federation makes contributions up to an amount equal to 5% of the employees' wages. Retirement plan costs were \$468,255 and \$425,918 for the years ended June 30, 2024, and 2023, respectively.

9) Risk Management

The Federation is subject to various risks of loss related to general and professional service liability, cybercrime and property and workers' compensation exposures. The Federation has purchased commercially available indemnity insurance to cover these risks. The deductible amounts for this insurance are immaterial to the Federation.

The Federation is involved in litigation arising in the normal course of business. After consulting with legal counsel, management estimates these matters will be resolved without material adverse effects on the Federation's future financial position or results from operations.



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

10) Net Asset Balances

Net assets with donor restrictions consist of endowments and other assets restricted by donor agreement. Endowment agreements stipulate resources be maintained perpetually but permit the Federation to expend part or all of the income (or other economic benefits) derived from the donated assets for various purposes.

Net assets with donor restriction consist of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Endowments	32,876,919	30,939,364
Restricted-not endowments	1,556,454	2,301,553
Beneficial interest in charitable remainder trust assets and other split interest agreements, net	747,297	2,983,304
Capital Projects	<u>7,607,272</u>	<u>4,125,795</u>
	<u>\$ 42,787,942</u>	<u>40,350,016</u>

Net assets without donor restriction consist of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Undesignated	\$ 51,494,838	51,054,416
Donor advised	35,727,565	30,039,867
Designated by the board	24,202,608	23,827,379
Unrestricted Foundation assets	7,982,813	7,469,531
Campaign	1,763,839	1,809,367
Board-designated endowment funds (Quasi)	3,811,976	3,095,500
Endowments	<u>4,722,861</u>	<u>3,547,895</u>
	<u>\$ 129,706,500</u>	<u>120,843,955</u>



JEWISH FEDERATION OF OMAHA, INC.

Notes to Consolidated Financial Statements

June 30, 2024

with Comparative Totals for 2023

Net assets designated by the Board are considered unrestricted and consist of the following components as of June 30, 2024, and 2023:

	<u>2024</u>	<u>2023</u>
Rose Blumkin Jewish Home	\$ 13,844,424	15,602,028
Federation	4,094,511	3,823,051
Board designated endowment funds (quasi)	3,811,976	3,095,500
Discretionary	3,045,098	2,374,237
Campus funds	1,881,553	800,809
JSO	736,714	731,030
Youth/scholarship funds	152,719	122,922
Foundation	100,654	69,399
JCC	251,187	215,754
Press	53,955	50,534
Agency custodial	41,100	37,178
Multi-purpose/other	693	437
	<u>\$ 28,014,584</u>	<u>26,922,879</u>

11) Medical Malpractice Coverage and Claims

The Federation pays fixed premiums for annual medical malpractice liability coverage under a claims-made policy form. The Federation accrues the expense of its share of asserted and unasserted claims occurring during the year by estimating the probable ultimate cost of any such claim in excess of the applicable insurance coverage. Such estimates are based on the Federation's own claims experience. The Federation does not expect any claims to exceed the insurance coverage limits. Accordingly, no accrual for claims has been included in the consolidated financial statements as of June 30, 2024. However, because of the risks involved in providing health care services, it is reasonably possible that an event has occurred which will be the basis for a future material claim.

12) Related Party Transactions

The Federation receives contributions from related parties including board members and employees, throughout the year. These contributions are used to help fund the Federation's mission. For the years ended June 30, 2024, and 2023, related party contributions were approximately \$3,427,133 and \$3,161,096 respectively.

13) Federation Manor, Inc. HUD Contract

In November 2023, the Federation terminated its HUD contract. The contract was originally intended for the construction and maintenance of Livingston Manor, which will now be demolished in 2025. As a result of this termination and the planned demolition, the Livingston Manor will discontinue operation of the HUD facility during the fiscal year ending June 30, 2025. This is not anticipated to have a material impact on financial position or financial activity of the consolidated organization.



JEWISH FEDERATION OF OMAHA, INC.
 Net Assets Without Restriction Current Fund
 Program Revenue by Program Service
 For the Year Ended June 30, 2024
 With Comparative Totals for 2023

	Jewish Federation	Jewish Community Center	Rose Blumkin Jewish Home	Jewish Family Services	Community Engagement & Education	Jewish Senior Outreach	Jewish Press	Community Relations Committee	Federation Manor, Inc.	Total	
										2024	2023
Elderly resident fees-											
Private pay and ancillary	\$ -	-	6,182,928	-	-	--	--	-	--	6,182,928	5,105,883
Medicaid	-	-	2,437,850	-	-	-	-	-	-	2,437,850	3,518,147
Medicare	-	-	2,440,615	-	-	--	--	-	--	2,440,615	1,660,323
Other insurance	-	-	435,378	-	-	-	-	-	-	435,378	469,648
Program services	106,251	5,263,833	-	29,804	7,210	161,270	--	12,000	6,678	5,587,046	5,491,248
Membership dues	210	4,836,043	-	-	-	-	-	-	-	4,836,253	4,532,544
Rental income	181,206	64,161	-	-	-	-	-	-	472,968	718,335	833,883
Advertising	-	-	-	-	-	-	106,845	-	-	106,845	126,224
Miscellaneous	21,175	36,676	36,280	20,931	-	707	4,440	150	-	120,359	70,768
Net gain (loss) on fixed assets	-	-	-	-	-	-	-	-	-	-	(828)
2024 Totals	\$ 308,842	10,200,713	11,533,051	50,735	7,210	161,977	111,285	12,150	479,646	22,865,609	21,807,840
2023 Totals	\$ 623,911	9,468,876	10,773,153	87,225	11,574	170,981	133,947	5,327	532,846		