Marlene Meyerson JCC Manhattan

Financial Statements

June 30, 2022 and 2021

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Independent Auditors' Report

To the Board of Directors of
Marlene Meyerson JCC Manhattan

Opinion

We have audited the financial statements of Marlene Meyerson JCC Manhattan (the Organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022 and 2021, 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 (GAAP).

Basis for Opinion

We conducted our audits 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 Audits of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the financial statements in accordance with GAAP, 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audits 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 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 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 Organization'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 Organization'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.

Baker Tilly US, LLP

New York, New York
April 26, 2023

Marlene Meyerson JCC Manhattan

Statements of Financial Position
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 8,372,373	$ 11,064,367
Cash and cash equivalents, restricted	15,498,159	18,201,276
Investments	23,500	17,500
Investments, restricted	15,511,047	18,184,475
Unconditional promises to give, net:		
Without donor restrictions	1,299,282	1,598,638
Restricted for use by the capital fund	6,492,260	7,818,339
Restricted for programs	1,904,447	1,466,807
Grants receivable	5,093,128	-
Prepaid expenses and other current assets	836,160	708,631
Property and equipment, net	55,530,740	53,774,745
Security deposits	55,481	55,481
Total assets	$ 110,616,577	$ 112,890,259
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	$ 2,630,093	$ 3,016,300
Deferred income	9,094,812	10,049,345
Term loan	4,000,000	4,000,000
Bonds payable	26,776,851	26,756,531
Total liabilities	42,501,756	43,822,176
Net Assets		
Net assets without donor restrictions	35,869,698	30,041,936
Net assets with donor restrictions	32,245,123	39,026,147
Total net assets	68,114,821	69,068,083
Total liabilities and net assets	$ 110,616,577	$ 112,890,259

See notes to financial statements

Marlene Meyerson JCC Manhattan

Statements of Activities and Changes in Net Assets
Years Ended June 30, 2022 and 2021

	2022	2021
Changes in Net Assets Without Donor Restrictions		
Support and revenue:		
Contributions	$ 6,648,746	$ 8,743,311
Grant income	7,093,128	4,217,403
Program income	11,274,616	6,217,271
Rental income	271,147	52,824
Special events	1,463,479	1,675,626
Community membership	265,836	154,449
Fitness and pool membership	3,012,269	1,661,186
Investment (loss) return	(1,901)	71,451
Net assets released from restrictions	9,671,062	5,867,125
Total support and revenue	39,698,382	28,660,646
Expenses:		
Program services	18,752,597	14,320,790
Management and general	10,138,367	7,218,692
Fundraising	1,388,041	1,019,049
Capital fund	1,085,240	1,039,423
Total expenses	31,364,245	23,597,954
Changes in net assets without donor restrictions before depreciation and amortization expense, building only	8,334,137	5,062,692
Depreciation and amortization expense, building only	2,506,375	2,371,584
Changes in net assets without donor restrictions	5,827,762	2,691,108
Changes in Net Assets With Donor Restrictions		
Support and revenue:		
Contributions	3,915,501	2,033,420
Investment (loss) return	(1,025,463)	3,001,465
Net assets released from restrictions	(9,671,062)	(5,867,125)
Changes in net assets with donor restrictions	(6,781,024)	(832,240)
Changes in net assets	(953,262)	1,858,868
Net Assets, Beginning	69,068,083	67,209,215
Net Assets, Ending	$ 68,114,821	$ 69,068,083

See notes to financial statements

Marlene Meyerson JCC Manhattan

Statement of Functional Expenses
Year Ended June 30, 2022

	Social	Educational	Sports	Total Program Services	Management and General	Fundraising	Capital Fund	Total
Program salaries, payroll taxes and employee benefits	$ 1,708,247	$ 2,757,668	$ 2,037,608	$ 6,503,523	$ 3,515,736	$ 481,382	$ 395,757	$ 10,896,398
Administrative salaries, payroll taxes and employee benefits	1,384,970	2,235,794	1,652,001	5,272,765	2,850,402	390,283	31,291	8,544,741
Contracted labor	492,322	794,768	587,245	1,874,335	1,013,246	138,736	-	3,026,317
Rent and occupancy	234,456	378,489	279,661	892,606	482,533	66,069	-	1,441,208
Financing costs	13,133	21,201	15,665	49,999	27,028	3,701	637,250	717,978
Advertising and marketing	123,319	199,078	147,096	469,493	253,803	34,751	-	758,047
Supplies	110,371	178,174	131,651	420,196	227,153	31,102	-	678,451
Entertainment	99,271	160,256	118,411	377,938	204,309	27,974	-	610,221
Depreciation and amortization	103,270	166,712	123,181	393,163	212,540	29,101	-	634,804
Local transportation, conferences and meetings	71,510	115,441	85,298	272,249	147,175	20,152	-	439,576
Consultants and professional fees	62,859	101,474	74,978	239,311	129,369	17,713	-	386,393
Computer supplies	158,849	256,434	189,476	604,759	326,927	44,763	-	976,449
Bank charges	45,611	73,631	54,405	173,647	93,872	12,853	-	280,372
Insurance	88,186	142,362	105,189	335,737	181,496	24,851	-	542,084
Office expenses	56,338	90,948	67,200	214,486	115,949	15,876	-	346,311
Education	43,867	70,815	52,324	167,006	90,282	12,362	-	269,650
Printing	20,546	33,168	24,508	78,222	42,286	5,790	-	126,298
Development and website expenses	65,228	105,300	77,805	248,333	134,246	18,381	622	401,582
Miscellaneous expenses	4,721	7,621	5,631	17,973	10,627	1,330	-	29,930
Travel	11,149	17,998	13,298	42,445	22,945	3,142	-	68,532
Telephone	16,673	26,915	19,887	63,475	34,314	4,698	-	102,487
Repairs	5,879	9,490	7,012	22,381	12,099	1,657	-	36,137
Interest expense on debt issuance cost	-	-	-	-	-	-	20,320	20,320
Postage and messenger	2,508	4,049	2,991	9,548	5,161	707	-	15,416
Dues and subscriptions	1,788	2,887	2,133	6,808	3,680	504	-	10,992
Uniforms	578	932	689	2,199	1,189	163	-	3,551
Subtotal	4,925,649	7,951,605	5,875,343	18,752,597	10,138,367	1,388,041	1,085,240	31,364,245
Depreciation and amortization expense, building only	330,949	944,850	982,929	2,258,728	82,549	82,531	82,567	2,506,375
Total	$ 5,256,598	$ 8,896,455	$ 6,858,272	$ 21,011,325	$ 10,220,916	$ 1,470,572	$ 1,167,807	$ 33,870,620

See notes to financial statements

Marlene Meyerson JCC Manhattan

Statement of Functional Expenses
Year Ended June 30, 2021

	Social	Educational	Sports	Total Program Services	Management and General	Fundraising	Capital Fund	Total
Program salaries, payroll taxes and employee benefits	$ 1,218,856	$ 2,431,921	$ 1,297,844	$ 4,948,621	$ 2,495,236	$ 352,187	$ 352,623	$ 8,148,667
Administrative salaries, payroll taxes and employee benefits	1,093,005	2,180,816	1,163,837	4,437,658	2,237,593	315,822	26,101	7,017,174
Contracted labor	347,738	693,823	370,273	1,411,834	711,886	100,478	-	2,224,198
Rent and occupancy	154,249	307,764	164,245	626,258	315,777	44,570	-	986,605
Financing costs	12,146	24,234	12,933	49,313	24,865	3,510	640,378	718,066
Advertising and marketing	113,029	225,520	120,354	458,903	231,392	32,660	-	722,955
Supplies	57,106	113,942	60,807	231,855	116,908	16,501	-	365,264
Entertainment	53,982	107,707	57,480	219,169	110,511	15,598	-	345,278
Depreciation and amortization	81,226	162,066	86,490	329,782	166,285	23,470	-	519,537
Local transportation, conferences and meetings	4,921	9,819	5,240	19,980	10,074	1,422	-	31,476
Consultants and professional fees	45,399	90,582	48,341	184,322	92,940	13,118	-	290,380
Computer supplies	96,179	191,901	102,412	390,492	196,897	27,791	-	615,180
Bank charges	22,483	44,860	23,940	91,283	46,028	6,497	-	143,808
Insurance	57,137	114,003	60,840	231,980	116,971	16,510	-	365,461
Office expenses	33,696	67,231	35,879	136,806	68,981	9,736	-	215,523
Education	46,386	92,552	49,392	188,330	94,961	13,403	-	296,694
Printing	21,197	42,294	22,571	86,062	43,395	6,125	-	135,582
Development and website expenses	32,245	64,338	34,335	130,918	66,013	9,317	-	206,248
Miscellaneous expenses	10,301	20,552	12,973	43,826	19,842	2,976	-	66,644
Travel	4,116	8,212	4,382	16,710	8,426	1,189	-	26,325
Telephone	11,376	22,698	12,113	46,187	23,289	3,287	-	72,763
Repairs	6,229	12,427	6,632	25,288	12,751	1,800	-	39,839
Interest expense on debt issuance cost	-	-	-	-	-	-	20,321	20,321
Postage and messenger	1,424	2,841	1,516	5,781	2,915	411	-	9,107
Dues and subscriptions	2,323	4,635	2,474	9,432	4,756	671	-	14,859
Subtotal	3,526,749	7,036,738	3,757,303	14,320,790	7,218,692	1,019,049	1,039,423	23,597,954
Depreciation and amortization expense, building only	313,151	894,036	930,067	2,137,254	78,110	78,093	78,127	2,371,584
Total	$ 3,839,900	$ 7,930,774	$ 4,687,370	$ 16,458,044	$ 7,296,802	$ 1,097,142	$ 1,117,550	$ 25,969,538

See notes to financial statements

Marlene Meyerson JCC Manhattan

Statements of Cash Flows
Years Ended June 30, 2022 and 2021

	2022	2021
Cash Flows From Operating Activities		
Changes in net assets	$ (953,262)	$ 1,858,868
Adjustments to reconcile changes in net assets to net cash flows from operating activities:		
Contributions received restricted for the Capital Fund	(1,694,861)	(3,219,848)
Depreciation and amortization	3,141,179	2,891,121
Unrealized loss (gain) on securities	1,898,302	(2,569,127)
Realized (gain) loss on sale of securities	(140,430)	252,707
Interest expense on debt issuance cost	20,320	20,321
Change in discount for unconditional promises to give	(134,561)	(314,300)
Changes in operating assets and liabilities:		
Unconditional promises to give without donor restrictions	299,356	(191,303)
Unconditional promises to give with donor restrictions	1,023,000	3,114,335
Grants receivable	(5,093,128)	-
Prepaid expenses and other current assets	(127,529)	(448,665)
Accounts payable and accrued liabilities	(386,207)	566,717
Deferred income	(954,533)	(1,191,899)
Net cash flows from operating activities	(3,102,354)	768,927
Cash Flows From Investing Activities		
Capital expenditures	(4,897,174)	(2,754,017)
Proceeds from sale of investment securities	5,623,542	9,971,196
Purchase of investment securities	(4,713,986)	(9,112,042)
Net cash flows from investing activities	(3,987,618)	(1,894,863)
Cash Flows From Financing Activities		
Proceeds from contributions restricted for the Capital Fund	1,694,861	3,219,848
Net cash flows from financing activities	1,694,861	3,219,848
Net change in cash, cash equivalents and restricted cash	(5,395,111)	2,093,912
Cash, Cash Equivalents and Restricted Cash, Beginning	29,265,643	27,171,731
Cash, Cash Equivalents and Restricted Cash, Ending	$ 23,870,532	$ 29,265,643
Reconciliation of Cash and Cash Equivalents and Restricted Cash to the Statements of Financial Position		
Cash and cash equivalents	$ 8,372,373	$ 11,064,367
Cash and cash equivalents, restricted	15,498,159	18,201,276
Total cash and cash equivalents and restricted cash	$ 23,870,532	$ 29,265,643
Supplemental Disclosure of Cash Flow Information		
Interest paid	$ 685,007	$ 679,834

See notes to financial statements

1. Nature of Activities and Significant Accounting Policies

Nature of Activities

Marlene Meyerson JCC Manhattan (the Organization) is a nonprofit organization dedicated to building a stronger Jewish community in New York City through social interaction and by augmenting knowledge of, respect for and commitment to the Jewish heritage. The Organization is supported primarily through program income, donor contributions, grants, dues and the United Jewish Appeal - Federation.

Basis of Accounting

The financial statements of the Organization have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) using the accrual basis of accounting.

Use of Estimates

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

Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as increases in net assets. The Organization reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction period ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. Conditional contributions, including conditional promises to give, are not recognized until they become unconditional, that is, when the conditions, including a barrier and right of return or release, are substantially met.

The Organization reports gifts of goods, property and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. 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 net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributed Services and Donated Materials

A substantial number of volunteers have contributed approximately 19,000 and 34,000 hours to the Organization's program services and fund-raising campaigns for the years ended June 30, 2022 and 2021, respectively; however, these contributed services are not reflected in the financial statements since the services do not meet the criteria to be recognized as contributed services. There were no contributed professional services or donated materials for the years ended June 30, 2022 and 2021.

Revenue From Contracts With Customers

Special Events Revenue

A portion of special events revenue represents a reciprocal transaction equal to the cost of direct benefits to donors with the remainder representing contributions. For the years ended June 30, 2022 and 2021, the direct benefit to donors was approximately $33,000 and $142,000, respectively.

Membership Revenue

Membership revenue represents exchange transactions based on the value of benefits provided. The Organization recognizes membership revenue over the membership period as the performance obligation is met. Membership dues are assessed when members sign up for community, fitness and/or pool memberships throughout the year. Membership dues paid in advance are deferred to the membership period to which they relate. Receivables are recorded at their realizable values.

Program Income

Program income represents programmatic services for adults, children and families, art and film, wellness and Jewish life, etc., where the performance obligation is delivery of the respective program services over the program period. Program fees paid in advance are deferred to the program period to which they relate. Receivables are recorded at their realizable values.

The Organization determines its accounts receivable and revenue estimates related to the above revenue from contracts with customers by considering implicit price concessions based on its historical collection experience. The transaction price is based on standard charges for services provided, reduced by implicit price concessions provided, if any.

Net Assets

The Organization reports information regarding its financial position and activities in the following classes of net assets which are as follows:

Net Assets Without Donor Restrictions - Net assets which are not donor restricted and are available for use for the general operating activities and objectives of the Organization. The class includes board-designated net assets, which are net assets without donor restrictions that have been designated for specific programs and general reserves by the board of directors.

Net Assets With Donor Restrictions - Net assets which are limited by donor restrictions that either expire with the passage of time or can be fulfilled and removed by actions of the Organization. Also includes net assets subject to donor-imposed restrictions that stipulate resources be maintained in perpetuity, but generally permit the Organization to utilize earnings as specified by donors.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when originally purchased to be cash equivalents. Cash and cash equivalents consist of cash held in checking, money market accounts and certificates of deposit.

Cash and Cash Equivalents, Restricted

Cash and cash equivalents restricted for the construction of a facility and camp represents contributions received which must be used solely for expenditures related to the construction costs, furniture, fixtures and equipment and subsequent repayment of the bonds payable and camp financing.

Financial Instruments

Financial instruments that potentially subject the Organization to credit risk include cash and cash equivalents, investments and unconditional promises to give. At year-end and throughout the year, the Organization's cash balances, which exceed federally insured limits, are deposited with high credit quality financial institutions. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents, and the Organization has not experienced any losses on its cash and cash equivalents. Investments consist primarily of fixed income securities, equities and mutual funds and certificates of deposit. Unconditional promises to give are subject to collection risk and are recorded at net realizable value.

Investments

Investments, consisting primarily of fixed income securities, equities and mutual funds, are carried at fair value. Investments subject to the provisions of Accounting Standards Update (ASU) 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share*, with no readily determinable fair values are recorded at net asset value per share as a practical expedient to estimating fair value. Gains and losses on investments are reported in the statements of activities and changes in net assets as increases and decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Investments, Restricted

Investments, restricted includes investments which are restricted for capital fund purposes, furniture, fixtures and equipment, and subsequent repayment of the bonds payable, as well as other restrictions as stipulated by the donors.

Unconditional Promises to Give

Unconditional promises to give made to the Organization are recorded in the year the pledge is made. Amounts are reflected in the financial statements at their net realizable value.

Allowance for Doubtful Accounts

Management must make estimates of the uncollectability of receivables. Management specifically analyzes historical bad debts, current funding trends and changes in payment terms and rates when evaluating the allowance for doubtful accounts.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful lives of the assets, which range from 5 to 39 years, on the straight-line method. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset. The Organization capitalizes property and equipment purchased over $1,000 in amount.

Deferred Income

Deferred income represents fees paid in advance for various programs applicable to the following fiscal year which were collected as of June 30, 2022 and 2021.

Deferred income also includes a Paycheck Protection Program (PPP) second loan of $2,000,000, as of June 30, 2021. The PPP is administered by the U.S. Small Business Administration (SBA). See Note 8.

Self-Insurance Program

The Organization is self-insured with respect to employee health claims. The Organization maintains stop-loss insurance for certain risks relating to large claims. The estimated liability for self-insurance claims is initially recorded in the year in which the event of loss occurs and may be subsequently adjusted based upon new information and cost estimates. Reserves for losses, which are included in accounts payable and accrued liabilities, represent estimates of reported losses and estimates of incurred but not reported losses based on past and current experience. Actual claims paid and settled may differ significantly from the provision for losses.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs charged to operations for the years ended June 30, 2022 and 2021 were approximately $253,000 and $324,000, respectively.

Income Tax Status

The Organization is a nonprofit corporation that is supported primarily by program income, dues, grants, contributions and other fund-raising activities. It has been granted tax-exempt status by the Internal Revenue Service (IRS) under Section 501(c)(3) of the Internal Revenue Code (IRC) and is not subject to federal or state income taxes.

Uncertain Tax Positions

Management has evaluated the Organization's tax positions and concluded that it has not taken any uncertain tax positions that require adjustment to the financial statements to comply with the provisions of Accounting Standards Codification (ASC) 740.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets and functional expenses. Some of the expenses are directly identified to their related programs or supporting functions and are recorded accordingly. Expenses not directly charged to programs are allocated based on estimates of time and effort.

Capital Fund represents expenses incurred related to fundraising activities associated with the Organization's ongoing capital campaign.

Recent Accounting Pronouncements

During 2022, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 improves financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets. The adoption of ASU 2020-07 had no impact on financial statement presentation when applied retrospectively to all periods presented.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The core principles of ASU 2016-02 change the way organizations will account for their leases by recognizing lease assets and lease liabilities on the statements of financial position and disclosing key information about leasing arrangements. ASU 2016-02 is effective for the Organization for fiscal years beginning after December 15, 2021. Management is currently evaluating the impact of ASU 2016-02 on the Organization's financial statements.

In March 2020, the FASB issued ASU 2020-04, *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. ASU 2020-04 provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions that reference London Interbank Offer Rate (LIBOR) or another reference rate expected to be discontinued because of reference rate reform, if certain criteria are met. The Organization may elect the optional expedients and exceptions included in ASU 2020-04 as of March 12, 2020 and through December 31, 2024. Management is currently evaluating the impact of ASU 2020-04 on the Organization's financial statements and there will be no material change to the related interest rate.

2. Investments

For the years ended June 30, 2022 and 2021, investments are recorded at fair value and are summarized as follows:

	2022	2021
Without donor restrictions:		
Fixed income securities	$ 17,264	$ 12,551
Equity securities	6,236	4,949
Total	$ 23,500	$ 17,500
With donor restrictions:		
Fixed income securities	$ 8,887,225	$ 10,763,377
Equity securities	6,154,428	6,999,982
Open end asset allocation	469,394	421,116
Total	$ 15,511,047	$ 18,184,475

3. Fair Value Measurements

The Organization is required to determine whether its assets and liabilities recorded at fair value were valued based on Level 1 (valued based on quoted prices in an active market for identical assets), Level 2 (valued based on significant other observable inputs), or Level 3 (valued based on significant unobservable inputs) measurements within the fair value hierarchy.

The Organization invested in open-end dynamic asset allocation funds (the Funds) that have no readily determinable fair value. The Funds are recorded at net asset value as a practical expedient of fair value and are based on the values provided by the general partner/funds manager of the Funds. The Funds' investment objectives are to moderate the volatility of equity and fixed income oriented asset allocations over the long term. The Funds may invest in a diversified portfolio of securities and other financial instruments, including derivative instruments that provide investment exposure to a variety of asset classes. As of June 30, 2022 and 2021, the Funds did not have any unfunded commitments and had a total net asset value of approximately $469,000 and $421,000, respectively.

The following tables represent the fair value hierarchy for the Organization's financial assets measured at fair value on a recurring basis as of June 30:

	2022			
Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Assets:				
Corporate and fixed income securities	$ 8,904,489	$ -	$ -	$ 8,904,489
Equity securities	6,160,664	-	-	6,160,664
Total	$ 15,065,153	$ -	$ -	15,065,153
Investments measured at net asset value (a)				469,394
Total investments				$ 15,534,547

	2021			
Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Assets:				
Corporate and fixed income securities	$ 10,775,928	$ -	$ -	$ 10,775,928
Equity securities	7,004,931	-	-	7,004,931
Total	$ 17,780,859	$ -	$ -	17,780,859
Investments measured at net asset value (a)				421,116
Total investments				$ 18,201,975

(a) In accordance with ASC Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

4. Unconditional Promises to Give, Net

Unconditional promises to give, net, consist of the following as of June 30:

	2022	2021
Receivable in less than one year	$ 2,829,956	$ 3,887,812
Receivable in two to five years	7,501,000	7,765,500
Total unconditional promises to give	10,330,956	11,653,312
Less unamortized discounts to net present value	634,967	769,528
	$ 9,695,989	$ 10,883,784
Without donor restrictions	$ 1,299,282	$ 1,598,638
Restricted for use by the capital fund	6,492,260	7,818,339
Restricted for programs	1,904,447	1,466,807
	$ 9,695,989	$ 10,883,784

Amounts that are expected to be collected after one year have been discounted at rates ranging from .08% to 3.7% as of June 30, 2022 and 2021. As of June 30, 2022 and 2021, the Organization established an allowance for doubtful accounts of $125,000.

5. Property and Equipment, Net

Property and equipment, net, consists of the following at June 30:

	2022	2021
Land	$ 7,999,255	$ 7,999,255
Building improvements	76,637,017	75,386,795
Furniture and equipment	19,364,543	15,717,591
	104,000,815	99,103,641
Less accumulated depreciation and amortization	48,470,075	45,328,896
	$ 55,530,740	$ 53,774,745

Depreciation and amortization expense charged to operations for the years ended June 30, 2022 and 2021 was approximately $3,141,000 and $2,891,000, respectively.

6. Bonds Payable

In September 2016, the Organization refinanced its existing New York City Industrial Development Agency Bonds of $26,550,000 and acquired $27,270,000 of total funding through the issuance of Build New York City (NYC) Resource Corporation Series 2016 bonds. The Series 2016 bonds consist of the following:

The Organization received funding in the amount of $23,140,000 through the issuance of Build NYC Resource Corporation adjustable rate revenue bonds - Series 2016A (the Series 2016A Bonds). The Series 2016A Bonds' interest rate is fixed at 2.41% per year. The Series 2016A Bonds do not require principal repayments until September 2024. There is no mandatory sinking fund schedule for the Series 2016A Bonds. The Series 2016A Bonds are collateralized by the Organization's assets.

The Organization received funding in the amount of $4,130,000 through the issuance of Build NYC Resource Corporation adjustable rate revenue bonds - Series 2016B (the Series 2016B Bonds). The Series 2016B Bonds' interest rate is adjusted based on the one-month LIBOR rate. The Series 2016B Bonds do not require principal repayments until September 2024. There is no mandatory sinking fund schedule for the Series 2016B Bonds. The Series 2016B Bonds are collateralized by the Organization's assets.

Scheduled maturities on the Series 2016A Bonds and Series 2016B Bonds are as follows:

	2022	2021
2024 and thereafter	$ 27,270,000	$ 27,270,000
Less unamortized deferred financing costs	493,149	513,469
Total	$ 26,776,851	$ 26,756,531

Future principal payments on bonds payable are as follows:

Years ending June 30:	
2023	$ -
2024	-
2025	250,000
2026	250,000
2027	250,000
Thereafter	26,520,000
	$ 27,270,000

Interest expense on the Series 2016A Bonds and Series 2016B Bonds approximated $604,000 for each of the years ended June 30, 2022 and 2021.

7. Term Loan

In November 2017, the Organization obtained a $4,000,000 ten-year term loan (the term loan) from Israel Discount Bank for the purpose of investing funds to generate investment income for the financial support of special needs programming. The term loan bears interest at the bank's prime interest rate of 3.37% and 1.94% as of June 30, 2022 and 2021, respectively. The Organization has the option to convert the loan interest from prime rate to a 1-year LIBOR rate plus 1.75% and to convert back to prime rate. The term loan does not require annual principal repayments, however, the bank requires that the full amount of the term loan be repaid by November 2027. The term loan requires the Organization to maintain a collateral account with a market value no less than $2,000,000. The term loan is also collateralized by all cash equivalents and other fixed income marketable securities which are owned by the Organization.

Interest expense on the term loan approximated $81,000 and $77,000 for the years ended June 30, 2022 and 2021, respectively.

8. Paycheck Protection Program

In April 2020 and March 2021, the Organization received proceeds in the amounts of $4,217,403 and $2,000,000, respectively, under PPP and PPP2, which was established as part of Coronavirus Aid, Relief and Economic Security (CARES) Act and is administered through the SBA. The PPP provides loans to qualifying businesses in amounts up to 2.5 times their average monthly payroll expenses and was designed to provide a direct financial incentive for qualifying businesses to keep their workforce employed during the Coronavirus crisis. PPP loans are uncollateralized and guaranteed by the SBA and are forgivable after a "covered period" (eight or twenty-four weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible expenses, including payroll, benefits, mortgage interest, rent and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries and wages more than 25% during the covered period. Any unforgiven portion is payable over two years if issued before, or five years if issued after, June 5, 2020 at an interest rate of 1% with payments deferred until the SBA remits the borrower's loan forgiveness amount to the lender, or, if the borrower does not apply for forgiveness, ten months after the end of the covered period. The Organization may request to repay the loan over five years and the request is subject to the approval of the lender. PPP loan terms provide for customary events of default, including payment defaults, breaches of representations and warranties, and insolvency events and may be accelerated upon the occurrence of one or more of these events of default. Additionally, PPP loan terms do not include prepayment penalties. The Organization initially recorded PPP and PPP2 as deferred revenue and subsequently recorded grant income for the years ended June 30, 2022 and June 30, 2021.

As of June 30, 2022 and 2021, the Organization had expended all of the PPP and PPP2 funds received on eligible expenses. The Organization applied for forgiveness and was notified in June 2021 and July 2022 that they received full forgiveness of the loans from the SBA. Therefore, the Organization has recorded grant income of $2,000,000 and $4,217,403 within its statements of activities and changes in net assets for the years ended June 30, 2022 and 2021, respectively. Grant income is recorded in accordance with guidance for conditional contributions when there was no longer a measurable performance or other barrier and a right of return of the PPP loan, or when such conditions were explicitly waived.

The SBA reserves the right to audit any PPP loan, regardless of size. These audits may occur after forgiveness has been granted. In accordance with the CARES Act, all borrowers are required to maintain their PPP loan documentation for six years after the PPP loan was forgiven or repaid in full and to provide that documentation to the SBA upon request. The Organization does not believe the results of any audits or reviews by the SBA would have a material impact on the financial statements.

9. Employee Retention Credit

The Employee Retention Credit (ERC), which was included as part of the CARES Act and amended by the Consolidated Appropriations Act (CAA), the American Rescue Plan Act (ARPA), and the Infrastructure Investment and Jobs Act (IIJA), incentivizes employers severely impacted by the COVID-19 pandemic to retain their employees when they might otherwise find it difficult to do so. The fully refundable tax credit is allowed against the employer's share of employment taxes for qualified wages paid after March 12, 2020 and before October 1, 2021. Credits in excess of the tax amounts paid by an employer are treated as overpayments and are also refunded to the employer. The ERC is calculated as a percentage of qualified wages (as defined in the CARES Act, as amended) paid by an eligible employer. The Organization qualified for the ERC as it experienced a significant decline in gross receipts (for 2021, defined as a 20% decline in gross receipts when compared to the same quarter in 2019). The Organization averaged more than 100 full-time employees (FTEs), but less than 500 FTEs during 2019, therefore, it was considered a large employer during 2020 and a small employer during 2021. As a small employer, all of the Organization's otherwise qualified wages were eligible for the ERC. For 2022, the ERC equaled 70% of an employee's qualified wages up to $10,000 per employee per calendar quarter with a maximum annual credit of $21,000 for each employee.

The Organization accounts for this federal funding in accordance with FASB ASC 958-605 guidance for conditional contributions and, accordingly, revenues are measured and recognized when barriers are substantially met. The Organization claimed credits of approximately $5,093,000 on amended Forms 941 which are included in grants income in accompanying statements of activities and changes in net assets for the year ended June 30, 2022. As of June 30, 2022, the Organization had a grant receivable of approximately $5,093,000. The Organization received these credits from the IRS during October 2022.

10. Net Assets

For the years ended June 30, 2022 and 2021, net assets without donor restrictions, are composed of:

	2022	2021
Undesignated	$ 34,815,409	$ 29,115,822
Board-designated reserve for asset replacement	1,054,289	926,114
	$ 35,869,698	$ 30,041,936

For the years ended June 30, 2022 and 2021, net assets with donor restrictions, are composed of:

	2022	2021
Capital fund	$ 18,000,247	$ 25,346,295
Programs:		
Mental Health Initiative	1,656,250	1,656,250
Gift of Literacy	670,500	270,500
Cancer Care	650,000	262,500
Various other	11,268,126	11,490,602
	$ 32,245,123	$ 39,026,147

For the years ended June 30, 2022 and 2021, net assets were released from restrictions by incurring expenses satisfying the restricted purposes as stipulated by the donors, as follows:

	2022	2021
Purpose restricted:		
20's and 30's Program	$ 78,000	$ 90,000
Antisemitic Program	10,000	-
Arts & Culture Program: Performances	15,000	-
Arts & Culture Program: Gallery Exhibit	-	1,620
Arts & Culture Program: Conversations	115,000	-
Camp Settoga	99,044	-
Cancer Care	70,583	-
Center for Social Responsibility Program	99,083	25,000
Center for Special Needs	100,351	150,000
Center for Special Needs Adaptations Program	220,176	216,833
Center for Special Needs Adaptations Workforce	-	35,000
Center for Special Needs Boosts/Kulam	15,000	-
Center for Special Needs Parenting Program	50,000	38,000
Center for Special Needs Teens and Interns	20,000	35,000
Center for Special Needs Future Planning	15,000	-
Films Program, Film Center and Other Israel Film Festival	90,000	600,000
Films, Reebilities Film Festival	18,000	-
Fitness Center	60,000	-
General Program Operating Support	203,350	50,000
Gift of Literacy Program	-	111,000
Israel Forum	37,000	-
MMJCCM Annual Benefit Program	143,967	-
MMJCCM Annual White Hot Winter Weekend	18,705	-
MMJCCM Harlem Programs	-	5,928
Jewish Journey Project	-	44,320
Jewish Learning Program, End of Life	35,000	-
Jewish Learning Program, Immerse	-	15,000
Jewish Learning Program, Rabbi Within Reach	-	58,422
Jewish Learning Program, Tikkun	45,000	-
Jewish Learning Program One Shot	6,000	6,000
Parkinsons	25,500	-
Volunteers Community Program	150,000	-
Seniors Program, Older Adult Classes	416,166	225,000
Shabbat Shabbang	114,850	-
Spa Day Fitness Program	10,000	-
Staff Development	500,000	-
Technology	50,000	-
Young Family Program	25,000	-
Total purpose restricted	2,855,775	1,707,123
Capital Fund	6,815,287	4,160,002
Total net assets released from restrictions	$ 9,671,062	$ 5,867,125

11. Defined Contribution Plan

The Organization sponsors a 403(b) plan that covers all employees who are age 21 or older who become eligible to receive contributions from the Organization upon completing one year of continuous service performing at least 1,000 hours of service per year. Contributions to the plan were previously 3% of eligible compensation with no employee contributions. On October 28, 2018, the 403(b) plan was amended to allow for employer discretionary contributions. Effective July 1, 2020, employer discretionary contributions have been suspended.

12. Commitments and Contingencies

Operating Leases

From time to time, the Organization leases space and equipment to conduct various activities. The Organization has operating leases for its space and equipment expiring at various dates through 2022. Rent and equipment expense for the years ended June 30, 2022 and 2021 was approximately $271,000 and $253,000, respectively.

Approximate minimum future leases payments payable under the terms of the operating leases are as follows:

Years ending June 30:	
2023	$ 214,000
2024	18,000
	$ 232,000

Rental Income

The Organization did not have any tenants during the years ended June 30, 2022 and 2021.

13. Liquidity and Availability of Resources

The Organization's financial assets available within one year of June 30, 2022 and 2021 for general expenditures such as operating expenses, debt service and fixed asset purchases not financed with debt financing are as follows:

	2022	2021
Cash and cash equivalents	$ 8,372,373	$ 11,064,367
Cash and cash equivalents, restricted	15,498,159	18,201,276
Investments	15,534,547	18,201,975
Unconditional promises to give	9,695,989	10,883,784
Grants receivable	5,093,128	-
Total financial assets	54,194,196	58,351,402
Less donor restricted amounts	39,405,913	45,670,897
Less board-designated reserve for asset replacement	1,054,289	926,114
Total financial assets available	$ 13,733,994	$ 11,754,391

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization's main sources of liquidity are program and membership income, as well as contributions. Although investments are available for expenditure, the Organization uses them in a minimal manner for its operations.

14. Subsequent Events

Subsequent events have been evaluated through April 26, 2023, which is the date the financial statements were available to be issued.