

# **Jewish Community Council of Greater Coney Island Inc.**

## **Independent Auditor's Report and Financial Statements**

**June 30, 2022 and 2021**



**Jewish Community Council of Greater Coney Island Inc.**  
**June 30, 2022 and 2021**

**Contents**

**Independent Auditor’s Report .....1**

**Financial Statements**

    Statements of Activities..... 3

    Statement of Functional Expenses – 2022..... 4

    Statement of Functional Expenses – 2021..... 5

    Statements of Financial Position ..... 6

    Statements of Cash Flows ..... 7

    Notes to Financial Statements ..... 8

## Independent Auditor's Report

Board of Directors  
Jewish Community Council of Greater Coney Island Inc.  
Brooklyn, New York

### ***Opinion***

We have audited the financial statements of Jewish Community Council of Greater Coney Island Inc., which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, 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 Jewish Community Council of Greater Coney Island Inc. as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Jewish Community Council of Greater Coney Island Inc. 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 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 Jewish Community Council of Greater Coney Island Inc.'s ability to continue as a going concern within one year after the date that these 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 Jewish Community Council of Greater Coney Island Inc.'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 Jewish Community Council of Greater Coney Island Inc.'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.

**FORVIS, LLP**

New York, New York  
March 30, 2023

# Jewish Community Council of Greater Coney Island Inc.

## Statements of Activities

Years Ended June 30, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support</b>						
Grants						
Government	\$ 41,732,599	\$ -	\$ 41,732,599	\$ 13,994,730	\$ -	\$ 13,994,730
Corporate and foundation	35,047,914	-	35,047,914	29,859,917	-	29,859,917
Contributions						
Corporate and foundation	180,122	235,178	415,300	57,300	619,400	676,700
General public	61,235	104,490	165,725	52,841	59,268	112,109
Participant contributions	135,187	1,412	136,599	39,047	4,822	43,869
Participant fees	36,520	-	36,520	32,985	-	32,985
In-kind contributions	621,349	-	621,349	650,278	-	650,278
Other income	2,290,599	-	2,290,599	267,690	-	267,690
Interest income (net of fees of \$8,548 and \$8,378 in 2022 and 2021, respectively)	14,233	-	14,233	41,719	-	41,719
Net assets released from restrictions	559,970	(559,970)	-	688,814	(688,814)	-
Total revenues and other support	80,679,728	(218,890)	80,460,838	45,685,321	(5,324)	45,679,997
<b>Expenses</b>						
Program services	70,889,746	-	70,889,746	42,369,506	-	42,369,506
Supporting services	3,607,105	-	3,607,105	3,184,388	-	3,184,388
Total expenses	74,496,851	-	74,496,851	45,553,894	-	45,553,894
<b>Change in Net Assets</b>	6,182,877	(218,890)	5,963,987	131,427	(5,324)	126,103
<b>Net Assets, Beginning of Year</b>	1,900,704	672,508	2,573,212	1,769,277	677,832	2,447,109
<b>Net Assets, End of Year</b>	<u>\$ 8,083,581</u>	<u>\$ 453,618</u>	<u>\$ 8,537,199</u>	<u>\$ 1,900,704</u>	<u>\$ 672,508</u>	<u>\$ 2,573,212</u>

**Jewish Community Council of Greater Coney Island Inc.**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2022**

	Program Services																	Supporting Services			Total
	Adult Literacy	Education/ Youth Services	Financial Assistance to Indigent Clients	Other Social Assistance	Senior Citizen Homecare	Senior Citizen Transportation/ Community Shuttle Bus	Vocational Services	Senior Centers	Home Delivered Meals	Technical Assistance	Homebound Senior Visitation Services	Gun Violence Prevention	Urban Neighborhood Multi-Service Center	Domestic Violence	Storm Recovery and Disaster Prevention	COVID-19 Assistance and Education	Total	Management and General	Fundraising	Total	2022
Salaries	\$ 438,216	\$ 1,037,810	\$ 8,474	\$ 1,001,978	\$ 606,434	\$ 1,080,425	\$ 21,363,254	\$ 1,974,060	\$ 405,309	\$ 158,454	\$ 231,716	\$ 1,458,423	\$ 126,538	\$ 37,472	\$ 12,018	\$ 355,048	\$ 30,295,629	\$ 2,147,874	\$ 52,746	\$ 2,200,620	\$ 32,496,249
Payroll taxes and employee benefits	63,878	135,507	830	176,093	113,097	169,942	2,470,727	339,350	84,043	15,435	52,416	186,706	13,471	5,210	1,607	39,943	3,868,255	363,655	5,965	369,620	4,237,875
Occupancy	-	104,596	-	13,315	3,846	5,542	460,646	837,877	9,432	-	3,846	107,527	11,218	5,328	-	17,000	1,580,173	74,689	-	74,689	1,654,862
Program supplies and expenses	15,765	142,412	3,603	14,500	74	536	87,755	91,585	5,054	50	22,724	124,217	138	3,486	-	9,362	521,261	-	-	-	521,261
Office supplies and expenses	1,049	1,343	-	3,898	134	411	241,005	41,460	592	-	1,758	23,194	7,185	2,660	-	2,481	327,170	53,752	17,122	70,874	398,044
Equipment and maintenance	13,503	7,606	2,215	48,869	43,649	68,762	141,947	89,402	3,926	230	-	103,871	5,817	1,403	61	107,275	638,536	202,890	-	202,890	841,426
Telephone and postage	1,491	1,158	2,704	5,301	1,085	8,750	19,061	29,086	357	-	3,184	13,393	2,253	808	123	1,587	90,341	28,016	2,918	30,934	121,275
Automotive expense	-	-	-	-	-	136,081	-	240	42,244	-	-	825	-	-	-	-	179,390	72	-	72	179,462
Printing and advertising	-	8,926	370	3,595	-	7,034	22,783	6,922	567	-	86	1,455	-	-	-	31,085	82,823	2,466	13,240	15,706	98,529
Participant stipends	-	-	-	-	-	-	-	-	-	-	-	16,775	-	-	-	-	16,775	-	-	-	16,775
Recreational and educational consultants	-	-	-	990	-	-	-	231,358	-	-	-	-	-	-	-	-	232,348	-	-	-	232,348
Professional fees	-	21,746	-	14,002	-	220	276,084	55,885	15,205	20,497	1,911	48,021	37	-	156	1,606	455,370	145,635	276,645	422,280	877,650
Food/congregate food expense	-	-	27,986	-	-	-	-	797,807	598,269	-	16,388	184	-	-	-	8,229	1,448,863	2,590	2,659	5,249	1,454,112
Transportation services	-	51,800	-	-	-	490	-	-	-	-	-	5,000	-	-	-	-	57,290	-	-	-	57,290
Senior citizen transportation services	-	-	-	-	-	1,688,409	-	775	-	-	279	-	-	-	-	-	1,689,463	-	-	-	1,689,463
Senior citizen homecare	-	-	-	-	28,507,143	-	-	-	-	-	-	-	-	-	-	-	28,507,143	-	-	-	28,507,143
Staff travel	947	-	-	176	-	336	454	1,587	-	-	130	760	75	-	-	253	4,718	141	134	275	4,993
Insurance	-	-	-	50	-	-	-	-	-	2,835	-	-	-	-	-	-	2,885	89,846	-	89,846	92,731
Dues, fees, subscriptions, honoraria, and workshop registration	468	2,657	48	75	116	750	18,524	6,717	2,079	906	223	3,637	4	-	-	366	36,570	44,243	4,151	48,394	84,964
Camp scholarships	-	-	11,000	-	-	-	-	-	-	-	-	-	-	-	-	-	11,000	-	-	-	11,000
Depreciation and amortization	222	-	-	208	125	59,386	119,614	36,813	8,119	-	1,680	22,499	-	260	20	-	248,946	70,923	4,733	75,656	324,602
Vocational training	-	-	-	-	-	-	202,382	-	-	-	-	-	-	-	-	-	202,382	-	-	-	202,382
Subcontracting	-	-	-	26,500	-	-	153,901	-	-	-	-	30,010	-	-	-	149,174	359,585	-	-	-	359,585
Emergency relief distribution	-	-	32,830	-	-	-	-	-	-	-	-	-	-	-	-	-	32,830	-	-	-	32,830
Total expenses reported on the statements of activities	<u>\$ 535,539</u>	<u>\$ 1,515,561</u>	<u>\$ 90,060</u>	<u>\$ 1,309,550</u>	<u>\$ 29,275,703</u>	<u>\$ 3,227,074</u>	<u>\$ 25,578,137</u>	<u>\$ 4,540,924</u>	<u>\$ 1,175,196</u>	<u>\$ 198,407</u>	<u>\$ 336,341</u>	<u>\$ 2,146,497</u>	<u>\$ 166,736</u>	<u>\$ 56,627</u>	<u>\$ 13,985</u>	<u>\$ 723,409</u>	<u>\$ 70,889,746</u>	<u>\$ 3,226,792</u>	<u>\$ 380,313</u>	<u>\$ 3,607,105</u>	<u>\$ 74,496,851</u>

**Jewish Community Council of Greater Coney Island Inc.**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2021**

	Program Services																	Supporting Services			Total
	Adult Literacy	Education/ Youth Services	Financial Assistance to Indigent Clients	Other Social Assistance	Senior Citizen Homecare	Senior Citizen Transportation/ Community Shuttle Bus	Vocational Services	Senior Centers	Home Delivered Meals	Technical Assistance	Homebound Senior Visitation Services	Gun Violence Prevention	Urban Neighborhood Multi-Service Center	Domestic Violence	Storm Recovery and Disaster Prevention	COVID-19 Assistance	Total	Management and General	Fundraising	Total	2021
Salaries	\$ 435,297	\$ 942,937	\$ 26,759	\$ 1,004,189	\$ 600,609	\$ 1,091,054	\$ 2,930,334	\$ 1,520,162	\$ 365,556	\$ 67,741	\$ 233,695	\$ 965,142	\$ 82,603	\$ 46,519	\$ 13,859	\$ 111,951	\$ 10,438,407	\$ 1,951,851	\$ 49,222	\$ 2,001,073	\$ 12,439,480
Payroll taxes and employee benefits	66,043	129,619	3,781	178,961	111,843	201,989	405,134	297,805	80,895	7,166	51,444	144,158	14,492	8,080	1,201	14,064	1,716,675	344,170	25,324	369,494	2,086,169
Occupancy	-	73,016	-	9,417	5,769	5,315	444,140	656,448	8,842	-	3,846	70,350	6,726	2,784	-	-	1,286,653	72,383	-	72,383	1,359,036
Program supplies and expenses	6,727	70,804	3,715	8,672	-	44	5,805	27,418	2,411	-	30,112	111,612	17	640	-	5,805	273,782	4,070	100	4,170	277,952
Office supplies and expenses	2,250	1,162	-	2,102	7	1,236	71,109	18,145	1,393	-	2,702	9,211	115	-	-	-	109,432	57,160	3,289	60,449	169,881
Equipment and maintenance	7,062	6,798	429	72,056	33,922	29,673	77,969	50,703	395	125	1,363	25,970	482	-	-	666	307,613	110,234	-	110,234	417,847
Telephone and postage	832	1,339	34	13,633	1,582	8,121	16,851	27,390	200	105	4,283	10,232	1,318	389	-	4,259	90,568	21,171	1,387	22,558	113,126
Automotive expense	-	-	-	-	-	105,499	-	-	38,643	-	-	-	-	-	-	-	144,142	-	-	-	144,142
Printing and advertising	180	577	-	27,490	-	525	39,048	1,872	-	-	-	85	-	-	-	2,277	72,054	450	16,174	16,624	88,678
Participant stipends	-	-	-	5,058	-	-	-	-	-	-	-	15,060	-	-	-	-	20,118	-	-	-	20,118
Recreational and educational consultants	-	-	-	8,600	-	-	-	88,021	-	-	1,000	-	-	-	-	-	97,621	-	-	-	97,621
Professional fees	1,055	27,349	-	21,419	832	43	226,528	5,243	4,850	19,778	178	2,396	14	-	30	13,994	323,709	126,763	198,382	325,145	648,854
Food/congregate food expense	-	-	2,909	-	-	-	-	174,108	379,139	-	8,089	-	-	-	-	195,161	759,406	1,561	-	1,561	760,967
Transportation services	-	41,000	-	-	-	46,470	-	-	-	-	-	1,793	-	-	-	10,450	99,713	-	-	-	99,713
Senior citizen transportation services	-	-	-	-	-	1,336,074	-	-	-	-	56	-	-	-	-	-	1,336,130	-	-	-	1,336,130
Senior citizen homecare	-	-	-	-	23,846,910	-	-	-	-	-	-	-	-	-	-	-	23,846,910	-	-	-	23,846,910
Staff travel	-	-	-	-	-	-	429	-	-	-	-	-	-	-	-	-	429	-	-	-	429
Insurance	-	-	-	-	-	-	-	-	-	2,723	-	239	-	-	-	-	2,962	84,679	-	84,679	87,641
Dues, fees, subscriptions, honoraria, and workshop registration	225	89	43	14	28	463	4,171	4,078	42	780	449	2,246	92	-	-	-	12,720	55,890	3,703	59,593	72,313
Camp scholarships	-	-	4,750	-	-	-	-	-	-	-	-	-	-	-	-	-	4,750	-	-	-	4,750
Depreciation and amortization	2,822	7,040	358	7,705	133,776	47,047	58,687	15,263	4,799	535	3,523	7,256	576	318	82	5,339	295,126	26,411	3,017	29,428	324,554
Vocational training	-	-	-	-	-	-	378,265	-	-	-	-	-	-	-	-	-	378,265	-	-	-	378,265
Subcontracting	-	-	-	66,000	-	-	282,783	-	-	-	-	-	-	-	-	210,067	558,850	-	-	-	558,850
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,997	-	26,997	26,997
Emergency relief distribution	-	-	23,471	-	-	-	-	-	-	-	-	-	-	-	-	170,000	193,471	-	-	-	193,471
Total expenses reported on the statements of activities	\$ 522,493	\$ 1,301,730	\$ 66,249	\$ 1,425,316	\$ 24,735,278	\$ 2,873,553	\$ 4,941,253	\$ 2,886,656	\$ 887,165	\$ 98,953	\$ 340,740	\$ 1,365,750	\$ 106,435	\$ 58,730	\$ 15,172	\$ 744,033	\$ 42,369,506	\$ 2,883,790	\$ 300,598	\$ 3,184,388	\$ 45,553,894

**Jewish Community Council of Greater Coney Island Inc.**  
**Statements of Financial Position**  
**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 5,541,592	\$ 6,905,285
Cash, board-designated	79,863	79,843
Investment, FJC Agency Loan Fund	855,911	845,422
Grants receivable	12,348,530	5,066,762
Contributions receivable	-	110,000
Prepaid and other current assets	885,840	123,762
	<hr/>	<hr/>
Total current assets	19,711,736	13,131,074
Insurance receivable	1,000,000	-
Property and equipment, net	1,068,899	934,239
	<hr/>	<hr/>
Total assets	<u>\$ 21,780,635</u>	<u>\$ 14,065,313</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 10,272,049	\$ 8,015,569
Accrued vacation	442,298	396,756
Grant advances	1,529,089	362,723
Loan payable	-	1,766,692
	<hr/>	<hr/>
Total current liabilities	12,243,436	10,541,740
Settlement payable	1,000,000	-
Loan payable	-	950,361
	<hr/>	<hr/>
Total liabilities	13,243,436	11,492,101
<b>Net Assets</b>		
Without donor restrictions		
Undesignated	6,934,819	886,622
Board-designated	79,863	79,843
Invested in property and equipment	1,068,899	934,239
	<hr/>	<hr/>
Total net assets without donor restrictions	8,083,581	1,900,704
With donor restrictions		
Purpose restrictions	453,618	672,508
	<hr/>	<hr/>
Total net assets	8,537,199	2,573,212
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 21,780,635</u>	<u>\$ 14,065,313</u>



# Jewish Community Council of Greater Coney Island Inc.

## Statements of Cash Flows

Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Operating Activities</b>		
Change in net assets	\$ 5,963,987	\$ 126,103
Items not requiring operating cash flows		
Depreciation and amortization	324,602	324,554
Loss on disposal of property and equipment	-	30
Donated property and equipment	-	(53,752)
Forgiveness of PPP loan	(1,738,940)	-
Forgiveness of accrued interest expense on PPP loan	(37,402)	-
Changes in		
Grants receivable	(7,281,768)	(1,625,085)
Contributions receivable	110,000	(10,000)
Prepaid and other assets	90,907	(4,297)
Accounts payable and accrued expenses	2,144,179	1,444,219
Accrued vacation	45,542	19,909
Grant advances	1,166,366	(643,506)
Net cash provided by (used in) operating activities	<u>787,473</u>	<u>(421,825)</u>
<b>Investing Activities</b>		
Capital expenditures	(346,961)	(79,393)
Purchase of investments	<u>(10,489)</u>	<u>(16,243)</u>
Net cash used in investing activities	<u>(357,450)</u>	<u>(95,636)</u>
<b>Financing Activities</b>		
Proceeds from contributions receivable	-	(100,000)
Repayments of loan	<u>(1,793,696)</u>	<u>-</u>
Net cash used in financing activities	<u>(1,793,696)</u>	<u>(100,000)</u>
<b>Net Change in Cash</b>	(1,363,673)	(617,461)
<b>Cash, Beginning of Year</b>	<u>6,985,128</u>	<u>7,602,589</u>
<b>Cash, End of Year</b>	<u><u>\$ 5,621,455</u></u>	<u><u>\$ 6,985,128</u></u>
<b>Reconciliation of Cash, End of Year</b>		
Cash	\$ 5,541,592	\$ 6,905,285
Cash, board designated	<u>79,863</u>	<u>79,843</u>
	<u><u>\$ 5,621,455</u></u>	<u><u>\$ 6,985,128</u></u>
<b>Supplemental Cash Flows Information</b>		
Receivable from forgiveness of PPP loan	\$ 852,985	\$ -
Property and equipment in accounts payable	\$ 112,301	\$ -

# **Jewish Community Council of Greater Coney Island Inc.**

## **Notes to Financial Statements**

**June 30, 2022 and 2021**

### **Note 1: Nature of Operations and Summary of Significant Accounting Policies**

#### ***Nature of Operations***

Jewish Community Council of Greater Coney Island Inc. (JCCGCI) is a community-based organization with a citywide scope, providing a wide-spectrum of senior citizen, vocational, educational, crime-reduction, community revitalization, and related services benefiting all segments of the population. JCCGCI is also a technical assistance provider, offering capacity building services to nonprofits in all five boroughs through its NonProfit HelpDesk division. With 40 program sites throughout New York City staffed by almost 350 social service professionals, JCCGCI assists an average of upwards of 2,500 needy individuals and families each day.

As the COVID-19 pandemic continued, JCCGCI focused and adapted their programs and services to a revised level of functionality, including expanded COVID-19 assistance and education.

JCCGCI's revenues and other support are derived principally from contributions and grants from various government agencies, foundations, and corporations, and its activities are conducted in the New York City area.

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

#### ***Investment – FJC Agency Loan Fund and Net Investment Return***

The investment in the FJC Agency Loan Fund is recorded at fair value based upon the cash liquidation value as provided by the manager of the fund. Investment return includes interest on investments carried at fair value, less external and direct internal investment expenses.

#### ***Grants Receivable***

Grants receivable from contracting agencies are recorded when earned and stated at the amount billed. Interest is not charged or accrued on outstanding receivables.

#### ***Allowance for Doubtful Accounts***

JCCGCI has determined that no allowance for uncollectible accounts for grants or contributions receivable is necessary as of June 30, 2022 and 2021. Such estimate is based on management's assessment of the creditworthiness of its donors, the aged basis of its receivables, as well as current economic conditions, subsequent receipts, and historical information.

# **Jewish Community Council of Greater Coney Island Inc.**

## **Notes to Financial Statements**

**June 30, 2022 and 2021**

### ***Property and Equipment***

Property and equipment acquisitions over \$5,000 are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are charged to expense on the straight-line basis over the estimated useful life of each asset. Assets under capital lease obligations (if applicable) and leasehold improvements are amortized over the shorter of the lease-term or respective estimated useful lives.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Furniture and equipment	3–10 years
Leasehold improvements	5–20 years

### ***Long-Lived Asset Impairment***

JCCGCI 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 a long-lived asset exceeds its fair value. No asset impairment was recognized for the years ended June 30, 2022 and 2021, respectively.

### ***Grant Advances***

Advance payments from contracting agencies that are not yet earned are recorded as liabilities until earned.

### ***Net Assets***

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. These include undesignated net assets, board-designated net assets, and net assets representing the net investment in property and equipment.

Net assets with donor restrictions are subject to donor restrictions. Restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

### ***Grants***

Expense-based grants are recognized into revenue as allowable expenses are incurred. Performance-based grants are recognized into revenue as milestones are achieved. Revenues from contracting agencies are subject to audit by the agencies. No provision for any disallowance is reflected in the financial statements since management does not anticipate any material adjustments.

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### Contributions

Contributions are provided to JCCGCI either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<i>Conditional gifts, with or without restriction</i>	
Gifts that depend on a future and uncertain event	Not recognized until the gift becomes unconditional, <i>i.e.</i> , the donor-imposed condition is substantially met
<i>Unconditional gifts, with or without restriction</i>	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment, and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment, and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue with donor restrictions and then released from restriction.

Conditional grants and investment income having donor stipulations which are satisfied in the period the gift is received and the investment income is earned are recorded as revenue without donor restrictions.

The policy regarding the classification of grants with donor restrictions both recognized as revenue and released within the same period has been revised from the prior period to properly represent the accounting treatment elected by JCCGCI. This revision had no effect on the change in net assets.

# **Jewish Community Council of Greater Coney Island Inc.**

## **Notes to Financial Statements**

**June 30, 2022 and 2021**

### ***In-Kind Contributions***

In addition to receiving cash contributions, JCCGCI receives in-kind contributions of donated rent and utilities and donated food from various donors. It is the policy of JCCGCI to record the estimated fair value of certain in-kind donations as an expense in its financial statements and similarly increase contribution revenue by a like amount.

### ***Income Taxes***

JCCGCI is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, JCCGCI is subject to federal income tax on any unrelated business taxable income. JCCGCI files tax returns in the U.S. federal jurisdiction.

### ***Functional Allocation of Expenses***

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. Certain costs have been allocated among the program, management and general, and fundraising categories based on the square footage and other methods.

### ***Rent Expense***

JCCGCI leases space at various locations. All leases are operating leases, and the expense is recognized on the first day of each month for the current month's rent. All leases are reflected on the straight-line basis. Deferred rent is recorded when there is a material difference between the fixed payment and the straight-line rent expense.

### ***Advertising***

Advertising costs are expensed as incurred. Advertising expenses for the years ended June 30, 2022 and 2021 were \$60,499 and \$56,096, respectively.

### ***Changes in Accounting Principle***

In 2022, JCCGCI adopted Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities* (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, on a retrospective basis. ASU 2020-07 requires contributed nonfinancial assets to be presented separately from contributions of cash or other financial assets in the statements of activities, and disclosures within the notes to the financial statements about the valuation method for, use of, and donor-imposed restrictions associated with contributed nonfinancial assets (see *Note 15*). Adoption of ASU 2020-07 had no impact on previously reported total change in net assets.

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### ***Subsequent Events***

Subsequent events have been evaluated through March 30, 2023, which is the date the financial statements were available to be issued.

### **Note 2: Contributions Receivable**

Contributions and pledges receivable consisted of the following:

	2022		2021	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Due within one year	\$ -	\$ -	\$ 10,000	\$ 100,000

### **Note 3: Revenue from Contracts with Customers**

#### ***Transaction Price and Recognition***

JCCGCI determines the transaction price based on standard charges for services provided, reduced by discounts provided in accordance with JCCGCI's policy. JCCGCI determines its estimates of explicit price concessions based on its discount policies. JCCGCI determines its estimate of implicit price concessions based on its historical collection experience with this class of customers. Payments are typically due at the end of the contract term and does not have a significant financial component. Sometimes the consideration amounts are variable, therefore, subsequent changes to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change.

For the years ended June 30, 2022 and 2021, JCCGCI recognized revenue of \$72,272 and \$70,744, respectively, from services that transfer to the customers over time.

#### ***Performance Obligations and Transaction Price Allocated to Remaining Performance Obligations***

Because all of its performance obligations relate to contracts with a duration of less than one year, JCCGCI has elected to apply the optional exemption provided in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The performance obligations referred to above are primarily related to participant fees and outsourced IT services. There were no unsatisfied or partially unsatisfied performance obligations as of June 30, 2022 and 2021.

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 4: Investments and Fair Value Measurements

#### *Fair Value Measurements*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

#### *Recurring Measurements*

The following table presents the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
FJC Agency Loan Fund - Level 2	<u>\$ 855,911</u>	<u>\$ 845,422</u>

The following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended June 30, 2022 and 2021.

*FJC Agency Loan Fund:* Valued based upon the cash liquidation value as provided by the manager of the fund.

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### Level 2 Gains and Losses

The table below sets forth a summary of changes in the fair value of JCCGCI's Level 2 assets for the years ended June 30, 2022 and 2021:

	2022	2021
FJC Agency Loan Fund		
Balance, beginning of year	\$ 845,422	\$ 829,179
Interest income (reinvested)	19,037	24,621
Fees	(8,548)	(8,378)
Balance, end of year	<u>\$ 855,911</u>	<u>\$ 845,422</u>

### Agency Loan Fund

Participation in a pool of loans made to not-for-profit entities providing interest income on a quarterly basis.

2022 Fair Value	2021 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<u>\$ 855,911</u>	<u>\$ 845,422</u>	<u>\$ -</u>	N/A	5 days

### Note 5: Corporate and Foundation Grants

Included in corporate and foundation grants are amounts received and expended from the Conference on Jewish Material Claims Against Germany, Inc. for Holocaust-related programs including the German Government Grant. Amounts recognized in revenue for the years ended June 30, 2022 and 2021 totaled \$33,090,918 and \$28,144,978, respectively.

### Note 6: Occupancy

JCCGCI occupies a portion of an office building, which includes its main office along with one of its senior centers without incurring rent and related costs. The building is rented by the City of New York Department of Citywide Administrative Services, which donates the space to JCCGCI. The lease between the City of New York and the landlord expires on May 31, 2027. \$268,541 of rent and utilities paid by the City of New York has been included in these financial statements as an in-kind contribution for both the years ended June 30, 2022 and 2021.

Additionally, two of JCCGCI's senior centers receive donated space in buildings owned by the New York City Housing Authority (NYCHA). This amount has been included in these financial statements as an in-kind contribution for each of the years ended June 30, 2022 and 2021 at an estimated value of \$303,600.



# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

In addition to multiple short-term operating leases (less than one year), JCCGCI has 12 operating lease agreements extending beyond the fiscal year-end. These leases expire at various dates from 2023 through 2031.

The following are the total future minimum rental payments required under the operating leases:

<b>Year Ended June 30</b>	
2023	\$ 872,209
2024	783,722
2025	638,456
2026	517,926
2027	205,741
Thereafter	454,586
	<u>\$ 3,472,640</u>

Total rent expense for the years ended June 30, 2022 and 2021 was \$1,569,495 and \$1,306,546, respectively.

### Note 7: Fixed Assets

	<b>2022</b>	<b>2021</b>
Furniture and equipment	\$ 2,503,728	\$ 2,454,468
Leasehold improvements	1,873,861	1,674,669
Software	257,500	247,500
Construction in progress	161,197	4,860
	<u>4,796,286</u>	<u>4,381,497</u>
Accumulated depreciation	(2,086,330)	(1,982,881)
Accumulated amortization	(1,641,057)	(1,464,377)
	<u>(3,727,387)</u>	<u>(3,447,258)</u>
	<u>\$ 1,068,899</u>	<u>\$ 934,239</u>

Included in furniture and equipment is \$355,500 of vehicles, which are subject to a lien from the Department for the Aging (DFTA), and \$115,766 of equipment, which is subject to a lien from the NYC Department of Design and Construction (DDC). These liens state that, in the event of program termination, the assets purchased from grant funds will be returned to the funding source.

At June 30, 2022, JCCGCI is committed to approximately \$215,000 in contracted costs related to construction in progress.

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 8: Conditional Grants and Future Commitments

JCCGCI receives its grant support through periodic claims filed with the respective funding sources, not to exceed a limit specified in the funding agreement. Since the financial statements of JCCGCI are prepared on the accrual basis, all earned portions of the grants not yet received as of June 30, 2022 have been recorded as receivables. The grant commitments will be recognized into revenue as allowable expenses are incurred or milestones are achieved. The following are the grant commitments that extend beyond June 30, 2022:

Conditional Promise to Give/Grant	Term	Grant Amount	Earned or Expired Through 2022	Funding Available
Corporate and Foundational Grants	Various between FY21–FY24	\$ 37,939,018	\$ 18,168,140	\$ 19,770,878
New York City Agencies	Various between FY19–FY27	78,475,453	50,052,343	28,423,110
New York State Agencies	Various between FY18–FY27	13,753,738	4,727,290	9,026,448
		<u>\$ 130,168,209</u>	<u>\$ 72,947,773</u>	<u>\$ 57,220,436</u>

In addition to the multi-year grants, JCCGCI also has one-year contracts for fiscal year 2023 with various agencies which total approximately \$2,522,000.

In addition to revenue commitments, JCCGCI also has subcontracts that extended beyond June 30, 2022. The maximum contingent expense available for fiscal year 2023 is approximately \$581,000 that is contingent upon the subcontractors achieving the milestones.

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 9: Net Assets

#### *Net Assets with Donor Restrictions*

Net assets with donor restrictions at June 30 are restricted for the following purposes:

	2022	2021
After school programs	\$ 10,060	\$ 60
Camp scholarships	4,692	7,096
Emergency relief	5,843	705
Technical assistance	10,000	-
Food pantry - Passover	12,082	17,426
Friendly visiting	5,450	5,259
Homecare	40,851	22,971
Horizons academy	12,640	104,275
Matching for Claims Conference/Holocaust services	62,760	102,022
Senior programs	50,934	5,145
Sunday program	2,031	13,629
Transportation	44,042	184,324
Urban Neighborhood Services	3,985	2,485
COVID-19 relief and assistance	13,436	32,438
Vocational services	5,004	5,000
Club 2600	420	420
Home delivered meals	1,149	1,014
Hurricane Sandy - rebuilding	168,239	168,239
	<u>\$ 453,618</u>	<u>\$ 672,508</u>

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### ***Net Assets Released from Restrictions***

Net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes:

	<b>2022</b>	<b>2021</b>
After school programs	\$ 10,678	\$ -
Camp scholarships	13,660	10,084
Capacity building	-	24,588
Club 2600	-	1,080
Emergency relief	4,601	360
Food pantry	-	3
Food pantry - Passover	38,048	23,180
Friendly visiting	6,472	2,666
Homecare	72,241	74,747
Horizons academy	99,137	63,542
Matching for Claims Conference/Holocaust services	96,961	96,501
Senior programs	640	1,072
Sunday program	11,598	10,402
Transportation	186,572	81,830
Urban Neighborhood Services	-	110
Vocational services	360	14,111
COVID-19 relief and assistance	19,002	277,344
Hurricane Sandy - rebuilding	-	7,194
	<u>\$ 559,970</u>	<u>\$ 688,814</u>

### **Note 10: Retirement Plan**

JCCGCI has a 403(b) plan for employees. JCCGCI does not contribute to the plan.

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 11: Line of Credit

On January 23, 2020, JCCGCI reestablished their \$400,000 line of credit, which had expired on June 1, 2019. The line of credit bore interest at 7.951% plus the British Bankers Association (BBA) LIBOR. The line of credit was extended on April 19, 2022 with a new expiration date of April 20, 2023. The line of credit bears interest rate at 5.889% plus the British Bankers Association (BBA) LIBOR, for an effective interest rate of 4.5% and 8.889% as of June 30, 2022 and 2021, respectively. In 2022, LIBOR was replaced by Secured Overnight Financing Rate (SOFR). Interest expense for both the years ended June 30, 2022 and 2021 was \$0. If applicable, interest is recorded in dues, fees, subscriptions, honoraria, and workshops in the statements of functional expenses. The line is secured by all business assets, inventory, equipment, general intangibles, chattel paper, documents, instruments, and letter of credit rights of JCCGCI, as applicable. Fees for maintaining the open line totaled \$750 in the years ended June 30, 2022 and 2021. There were no proceeds, payments, or outstanding balances on the line of credit as of and for the years ended June 30, 2022 and 2021.

### Note 12: Long-Term Debt

On March 27, 2020, President Trump signed into law the *Coronavirus Aid, Relief, and Economic Security Act*. On April 7, 2020, JCCGCI received a loan in the amount of \$2,717,053 pursuant to the Paycheck Protection Program (PPP). JCCGCI has elected to account for the funding as a loan in accordance with ASC Topic 470, *Debt*. The loan was due two years from the date of the first disbursement under the loan and had a fixed interest rate of 1% per year. During 2022 the terms of the loan were modified to become due five years from the date of the original disbursement date of the loan. During 2022, JCCGCI made repayments of \$1,793,696 which consisted of principal with an ending loan balance of \$923,357 before forgiveness was granted by the Small Business Administration (SBA). On June 30, 2022, the SBA authorized the forgiveness of the PPP loan in the amount of \$1,738,940, which was recognized as a gain in the 2022 financial statements within other income in the statements of activities. The amount of forgiveness over the outstanding loan balance of \$815,583 plus accrued interest payable of \$37,402 were recorded as a receivable at June 30, 2022 within prepaid and other current assets on the statements of financial position. Subsequent to year-end, JCCGCI received a wire in the amount of \$852,985 issued by the SBA.

### Note 13: Employee Retention Tax Credit

The *Coronavirus Aid, Relief, and Economic Security Act*, and subsequent legislation, provides a refundable employee retention tax credit to eligible employers who meet either a gross receipts test or a government mandate test. The tax credit is equal to a specified percentage of qualified wages paid to employees subject to certain limits. JCCGCI has elected to account for these employee retention credits in accordance with ASC 958-605. JCCGCI has determined it qualifies for the tax credit and has claimed ERCs of \$500,056 and \$229,961, respectively, during the years ended June 30, 2022 and 2021. The following financial statement line items were affected by these transactions:

- Statements of activities – other income

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

Laws and regulations concerning the employee retention credit are complex and subject to varying interpretation. These credits may be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge JCCGCI's claim to the employee retention credit, and it is not possible to determine the impact this would have on JCCGCI. During 2022, JCCGCI received \$231,623 and \$269,043 of employee retention tax credits for the first quarter of fiscal year 2022 and fourth quarter of fiscal year 2021, respectively. These amounts were recognized as revenue in 2022 as JCCGCI had met all of the conditions.

### Note 14: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2022 and 2021, comprise the following:

	2022	2021
Cash	\$ 5,621,455	\$ 6,985,128
Investments	855,911	845,422
Grants receivable	12,348,530	5,066,762
Contributions receivable	-	110,000
Receivable from PPP loan forgiveness	852,985	-
Total financial assets	19,678,881	13,007,312
Donor-imposed restrictions		
Restricted funds	(453,618)	(672,508)
Net financial assets after donor-imposed restrictions	19,225,263	12,334,804
Internal designations		
Board-designated	(79,863)	(79,843)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 19,145,400</u>	<u>\$ 12,254,961</u>

The board-designated fund had a balance of \$79,863 and \$79,843 at June 30, 2022 and 2021, respectively. Although JCCGCI does not intend to spend from this fund, these amounts could be made available if necessary.

JCCGCI manages its liquidity following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term expenditures, and operating needs and maintaining sufficient liquidity to provide reasonable assurance that long-term obligations will be discharged. JCCGCI monitors liquidity and cash flow on an ongoing basis to ensure an appropriate amount of cash and cash equivalents are available to meet current expenditure needs.

# Jewish Community Council of Greater Coney Island Inc.

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 15: Contributed Nonfinancial Assets

For the years ended June 30, 2022 and 2021, contributed nonfinancial assets recognized within the statements of activities included:

	2022	2021
Occupancy	\$ 572,141	\$ 572,141
Food	49,208	70,390
Personal protective equipment	-	7,747
	<u>\$ 621,349</u>	<u>\$ 650,278</u>

Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. JCCGCI estimated the fair value on the basis of estimates of wholesale values that would be received for similar products in the United States or the market price of the donated space.

### Note 16: Significant Estimates, Concentrations, and Contingencies

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

#### **Cash**

Financial instruments which potentially subject the organization to a concentration of credit risk are cash accounts with financial institutions in New York City which during the year had balances in excess of FDIC insurance limits. At June 30, 2022, JCCGCI's cash accounts exceeded federally insured limits by approximately \$7,453,000.

#### **Investments**

JCCGCI invests in investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such change could materially affect the amounts reported in the accompanying statements of financial position.

#### **Grants**

Grant revenues are primarily from the Conference on Jewish Material Claims Against Germany, Inc. (43% and 64% for the years ended June 30, 2022 and 2021, respectively) and New York City agencies (50% and 28% for the years ended June 30, 2022 and 2021, respectively). Grant receivables are primarily from New York City agencies (79% and 67% for the years ended June 30, 2022 and 2021, respectively) and New York State agencies (12% and 23% as of June 30, 2022 and 2021, respectively).

# **Jewish Community Council of Greater Coney Island Inc.**

## **Notes to Financial Statements**

**June 30, 2022 and 2021**

JCCGCI receives grants from various state and city government agencies performed under contracts. Such contracts are subject to governmental compliance audits from the granting agencies, as well as the New York State Office of the Attorney General, the Internal Revenue Service and the New York State Department of Charities Registration, and may, from time to time, result in adjustments to fees and grants received. In the opinion of JCCGCI, the disposition of all such matters should not have a material effect on JCCGCI's financial position or change in net assets.

### ***General Litigation***

JCCGCI is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of JCCGCI. Events could occur that would change this estimate materially in the near term.

JCCGCI has recorded an accrual of \$1,000,000 for a potential settlement for an ongoing claim against JCCGCI related to an automobile accident. As the claim would be fully covered by insurance, a related receivable has also been recorded. This has no impact on the change in net assets that is reported in the statement of activities.

## **Note 17: Future Changes in Accounting Principles**

### ***Accounting for Leases***

FASB amended its standard related to the accounting for leases. Under the new standard, lessees will now be required to recognize substantially all leases on the statements of financial position as both a right-of-use asset and a liability. The standard has two types of leases for statements of activities recognition purposes: operating leases and finance leases. Operating leases will result in the recognition of a single lease expense on a straight-line basis over the lease term similar to the treatment for operating leases under existing standards. Finance leases will result in an accelerated expense similar to the accounting for capital leases under existing standards. The determination of lease classification as operating or finance will be done in a manner similar to existing standards. The new standard also contains amended guidance regarding the identification of embedded leases in service contracts and the identification of lease and nonlease components in an arrangement. The new standard is effective for annual periods beginning after December 15, 2021 and any interim periods within annual reporting periods that begin after December 15, 2022. JCCGCI is evaluating the effect the standard will have on the financial statements; however, the standard is expected to have a material effect on the financial statements due to the recognition of additional assets and liabilities for operating leases.