

Consolidated Financial Statements and Report of Independent Certified Public Accountants

Union for Reform Judaism and Consolidated Entities

December 31, 2024 and 2023

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Executive Board of the Union for Reform Judaism

Report on the financial statements**Opinions**

We have audited the consolidated financial statements of the Union for Reform Judaism and Consolidated Entities (collectively, "the URJ"), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of URJ as of December 31, 2024 and 2023, and the respective 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 of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the URJ 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 opinions.

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 the URJ's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's responsibilities for the audit of the financial statements

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

In performing an audit in accordance with US 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 URJ'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 URJ'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.



New York, New York
June 27, 2025

Union for Reform Judaism and Consolidated Entities

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

**December 31,
(in thousands)**

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 17,752	\$ 17,489
Reform Movement Affiliation Commitment ("RMAC") receivable, net	1,339	1,527
Accounts and loans receivable, net	4,625	4,010
Camp fees receivable, net	692	1,722
Contributions receivable, net	8,791	9,758
Prepaid expenses and other assets	2,065	2,356
Investments	113,620	112,400
Property and equipment, net	158,903	138,256
Goodwill	1,202	1,202
	<hr/>	<hr/>
Total assets	\$ 308,989	\$ 288,720
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LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable, accrued expenses and other liabilities	\$ 5,328	\$ 5,928
Notes and mortgage payable	33,636	34,314
Deferred revenue	13,451	11,848
Annuities payable	49	56
Accrued benefit obligation	43	156
	<hr/>	<hr/>
Total liabilities	52,507	52,302
	<hr/>	<hr/>
Commitments and contingencies		
Net assets		
Without donor restrictions	194,278	177,892
With donor restrictions	62,204	58,526
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Total net assets	256,482	236,418
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Total liabilities and net assets	\$ 308,989	\$ 288,720
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The accompanying notes are an integral part of these consolidated financial statements.

Union for Reform Judaism and Consolidated Entities

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended December 31, 2024
(in thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Operating activities			
Public support and revenues			
Contributions and grants	\$ 4,445	\$ 15,089	\$ 19,534
Program fees	51,008	-	51,008
RMAC	6,626	-	6,626
Rental and other income	2,697	19	2,716
Investment return designated for current operations	4,247	-	4,247
Total public support and revenues before net assets released from restrictions	69,023	15,108	84,131
Net assets released from restrictions	12,835	(12,835)	-
Total public support and revenues	81,858	2,273	84,131
Operating expenses			
Programs	76,360	236	76,596
Supporting services			
Management and general	3,088	-	3,088
Fundraising	4,659	-	4,659
Total supporting services	7,747	-	7,747
Total operating expenses	84,107	236	84,343
Changes in net assets from operations, before depreciation and amortization and non-operating activities	(2,249)	2,037	(212)
Depreciation and amortization	6,650	-	6,650
Changes in net assets, before other activities	(8,899)	2,037	(6,862)
Non-operating activities			
Investment return	5,136	3,978	9,114
Appropriation of investment return for current operations	(2,591)	(1,656)	(4,247)
Gain on loan forgiveness	(50)	-	(50)
Pension-related changes other than periodic costs	176	-	176
Foreign currency translation	(272)	(31)	(303)
Gain on disposal of property and equipment	5	-	5
Gain on insurance recoveries	41	-	41
Proceeds from Fire Victims Trust	5,149	-	5,149
Capital contributions	5	17,036	17,041
Net assets released for capital activities	17,686	(17,686)	-
CHANGES IN NET ASSETS	16,386	3,678	20,064
Net assets - beginning of year	177,892	58,526	236,418
Net assets - end of year	\$ 194,278	\$ 62,204	\$ 256,482

The accompanying notes are an integral part of this consolidated financial statement.

Union for Reform Judaism and Consolidated Entities

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended December 31, 2023
(in thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Operating activities			
Public support and revenues			
Contributions and grants	\$ 5,257	\$ 12,957	\$ 18,214
Program fees	53,326	-	53,326
RMAC	7,156	-	7,156
Rental and other income	1,672	2	1,674
Investment return designated for current operations	4,186	-	4,186
Total public support and revenues before net assets released from restrictions	71,597	12,959	84,556
Net assets released from restrictions	15,806	(14,441)	1,365
Total public support and revenues	87,403	(1,482)	85,921
Operating expenses			
Programs	80,957	474	81,431
Supporting services			
Management and general	3,844	-	3,844
Fundraising	5,816	-	5,816
Total supporting services	9,660	-	9,660
Total operating expenses	90,617	474	91,091
Changes in net assets from operations, before depreciation and amortization and non-operating activities	(3,214)	(1,956)	(5,170)
Depreciation and amortization	6,146	-	6,146
Changes in net assets, before other activities	(9,360)	(1,956)	(11,316)
Non-operating activities			
Investment return	7,441	3,612	11,053
Appropriation of investment return for current operations	(2,101)	(2,085)	(4,186)
Gain on loan forgiveness	(50)	-	(50)
Pension-related changes other than periodic costs	114	-	114
Foreign currency translation gains	25	15	40
Gain on disposal of property and equipment	16	-	16
Gain on insurance recoveries	1,042	-	1,042
Proceeds from Fire Victims Trust	30,897	-	30,897
Capital contributions	-	21,424	21,424
Net assets released for capital activities	14,197	(15,562)	(1,365)
CHANGES IN NET ASSETS	42,221	5,448	47,669
Net assets - beginning of year	135,671	53,078	188,749
Net assets - end of year	<u>\$ 177,892</u>	<u>\$ 58,526</u>	<u>\$ 236,418</u>

The accompanying notes are an integral part of this consolidated financial statement.

Union for Reform Judaism and Consolidated Entities

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2024
(in thousands)

	Program Expenses							Supporting Services			
	Acting Together for Justice	Congregational Services and Communities of Vibrancy	Immersive Programs	Communities of Belonging	Leaders In Action	Grow & Expansion Initiatives	Total Program Expenses	Fundraising	Management and General	Total Supporting Services	Total Expenses
Personnel	\$ 4,444	\$ 2,822	\$ 25,668	\$ 907	\$ 2,532	\$ 1,675	\$ 38,048	\$ 3,965	\$ 874	\$ 4,839	\$ 42,887
Personnel - benefits	14	6	656	4	-	5	685	-	31	31	716
Program materials and services	33	108	9,613	2	42	6	9,804	161	6	167	9,971
Professional fees	467	239	6,045	62	360	238	7,411	129	451	580	7,991
Travel and transportation	869	27	3,205	6	314	7	4,428	101	35	136	4,564
Marketing and recruitment	159	117	966	16	39	113	1,410	65	15	80	1,490
General operations and business	391	70	1,256	38	175	62	1,992	189	307	496	2,488
Technology	122	102	750	58	189	90	1,311	16	445	461	1,772
Facilities operations and maintenance	175	30	6,853	23	79	26	7,186	-	190	190	7,376
Insurance	55	18	2,973	14	34	14	3,108	7	66	73	3,181
Bad debt expense	10	94	173	-	-	-	277	-	544	544	821
Interest	59	20	813	8	25	11	936	26	124	150	1,086
Total operating expenses before depreciation and amortization	6,798	3,653	58,971	1,138	3,789	2,247	76,596	4,659	3,088	7,747	84,343
Depreciation and amortization	-	-	6,422	-	-	-	6,422	-	228	228	6,650
Total expenses	<u>\$ 6,798</u>	<u>\$ 3,653</u>	<u>\$ 65,393</u>	<u>\$ 1,138</u>	<u>\$ 3,789</u>	<u>\$ 2,247</u>	<u>\$ 83,018</u>	<u>\$ 4,659</u>	<u>\$ 3,316</u>	<u>\$ 7,975</u>	<u>\$ 90,993</u>

The accompanying notes are an integral part of this consolidated financial statement.

Union for Reform Judaism and Consolidated Entities

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2023
(in thousands)

	Program Expenses							Supporting Services			
	Acting Together for Justice	Congregational Services and Communities of Vibrancy	Immersive Programs	Communities of Belonging	Leaders In Action	Grow & Expansion Initiatives	Total Program Expenses	Fundraising	Management and General	Total Supporting Services	Total Expenses
Personnel	\$ 4,583	\$ 2,002	\$ 25,215	\$ 404	\$ 1,609	\$ 2,204	\$ 36,017	\$ 4,753	\$ 1,228	\$ 5,981	\$ 41,998
Personnel - benefits	4	-	328	6	14	1	353	2	5	7	360
Program materials and services	1,103	10	15,108	28	873	36	17,158	463	90	553	17,711
Professional fees	521	179	3,018	197	687	374	4,976	188	409	597	5,573
Travel and transportation	203	11	7,020	19	245	13	7,511	20	56	76	7,587
Marketing and recruitment	76	29	339	3	19	40	506	130	9	139	645
General operations and business	115	22	1,407	42	196	40	1,822	209	138	347	2,169
Technology	99	110	617	132	476	94	1,528	15	429	444	1,972
Facilities operations and maintenance	123	9	6,188	49	174	31	6,574	-	160	160	6,734
Insurance	58	15	3,341	12	52	14	3,492	10	40	50	3,542
Bad debt expense	10	-	711	-	-	-	721	-	1,051	1,051	1,772
Interest	51	17	663	5	24	13	773	26	229	255	1,028
Total operating expenses before depreciation and amortization	6,946	2,404	63,955	897	4,369	2,860	81,431	5,816	3,844	9,660	91,091
Depreciation and amortization	-	-	5,918	-	-	-	5,918	-	228	228	6,146
Total expenses	<u>\$ 6,946</u>	<u>\$ 2,404</u>	<u>\$ 69,873</u>	<u>\$ 897</u>	<u>\$ 4,369</u>	<u>\$ 2,860</u>	<u>\$ 87,349</u>	<u>\$ 5,816</u>	<u>\$ 4,072</u>	<u>\$ 9,888</u>	<u>\$ 97,237</u>

The accompanying notes are an integral part of this consolidated financial statement.

Union for Reform Judaism and Consolidated Entities

CONSOLIDATED STATEMENTS OF CASH FLOWS

**Years ended December 31,
(in thousands)**

	2024	2023
Cash flows from operating activities:		
Changes in net assets	\$ 20,064	\$ 47,669
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	6,650	6,146
Donated securities	(2,905)	(1,950)
Net unrealized appreciation in fair value of investments	(4,691)	(5,788)
Net realized gain on sale of investments	(3,331)	(4,181)
Bad debt expense	(821)	(1,773)
Gain on disposal of property and equipment	(5)	(16)
Changes in operating assets and liabilities:		
Contributions receivable	1,172	(6,562)
RMAC receivable	805	(587)
Accounts and loans receivable	(615)	(936)
Camp fees receivable	1,030	(524)
Prepaid expenses and other assets	291	(533)
Accounts payable, accrued expenses and other liabilities	(599)	1,692
Annuities payable	(7)	(12)
Accrued benefit obligation	(113)	(207)
Deferred revenue	1,603	1,760
Net cash provided by operating activities	<u>18,528</u>	<u>34,198</u>
Cash flows from investing activities:		
Proceeds from sales of investments	72,046	31,517
Purchases of investments	(62,341)	(45,279)
Purchases of property and equipment	<u>(27,292)</u>	<u>(19,913)</u>
Net cash used in investing activities	<u>(17,587)</u>	<u>(33,675)</u>
Cash flows from financing activities:		
Principal payments on notes and mortgage	(5,478)	(7,465)
Proceeds from additional borrowings	<u>4,800</u>	<u>9,300</u>
Net cash (used in) provided by financing activities	<u>(678)</u>	<u>1,835</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	263	2,358
Cash and cash equivalents - beginning of year	<u>17,489</u>	<u>15,131</u>
Cash and cash equivalents - end of year	<u><u>\$ 17,752</u></u>	<u><u>\$ 17,489</u></u>
Supplemental disclosure of cash flow information:		
Interest paid	<u><u>\$ 1,085</u></u>	<u><u>\$ 1,026</u></u>
Supplemental disclosure for non-cash investing activities:		
Property and equipment additions, included in accounts payable, accrued expenses and other liabilities	<u><u>\$ 2,608</u></u>	<u><u>\$ 1,586</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024 and 2023
(in thousands)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Basis of Presentation

The Union for Reform Judaism ("URJ") promotes a relevant, meaningful, inclusive, and pluralistic Judaism through its programs and initiatives. Promoting that diversity is the key to a bright Jewish future. URJ engages people from all backgrounds to help them cultivate a sense of deep joy and spirituality. The URJ is building vibrant communities of belonging - through our congregations, communities, camps, youth engagement programs, networks of social justice activists, and beyond.

Today the URJ is proud to be the largest Jewish movement in North America, with over 850 member congregations in the United States and Canada, 2,000 ordained rabbis, 14 summer camps, and 20,000 youth participants.

The URJ is an Ohio corporation, founded in Cincinnati, Ohio, in 1873 as the Union of American Hebrew Congregations ("UAHC"). In November 2003, the UAHC's name was changed to the Union for Reform Judaism.

The consolidated financial statements consist of the financial information of the URJ, Reform Jewish Community of Canada (formerly Canadian Council for Reform Judaism), URJ Canada/Union Juive Libérale au Canada, URJ Camp George and Union of American Hebrew Congregations Youth Programs in Israel.

The URJ and its consolidated entities are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and from state and local taxes under comparable laws when applicable. Activities of the URJ in Canada and Israel are carried out through related corporations that are either registered charities (Amuta in Israel) or otherwise exempt from income tax in Canada and Israel.

Basis of Accounting and Principles of Consolidation

The consolidated financial statements of the URJ have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") as applicable to not-for-profit organizations. All significant intercompany accounts and transactions are eliminated in consolidation.

Revenue Recognition

The URJ derives revenue and support primarily from contributions and grants, program fees, Reform Movement Affiliate Commitment ("RMAC") and investment returns.

Under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers (Topic 606)*, the URJ recognizes revenue when it satisfies a performance obligation by transferring control over a service to a customer. The majority of the URJ's services represent a bundle of services that are not capable of being distinct and as such, are treated as a single performance obligation that is satisfied as the services are rendered. The URJ determines the transaction price based on contractually agreed upon rates, adjusted for any variable consideration, if any.

Programs and congregational services are offered by the URJ throughout the course of the year. Revenues from these services are recognized at the point at which control over the services are rendered/transferred. Event revenue is recognized in the period the respective event occurs.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or stipulated time period has elapsed) are reported as net assets released from donor restrictions.

The URJ records a contract asset when it has a right to payment from a customer that is conditional on events other than the passage of time. Full payment for camper tuition is due 60 days prior to Camp's first session start date. Full payment for other programs is due prior to the program start date, and payment for congregational services provided Reform Movement Affiliate Commitment is due upon receipt of monthly invoice as services are provided on an ongoing basis throughout the year. The URJ also records a contract liability when a customer prepays but the URJ has not fulfilled its performance obligations. The URJ did not have any material contract assets as of December 31, 2024 and 2023. Contract liabilities are presented as deferred revenue on the consolidated statements of financial position. Revenues from camp activities and events are recognized in the period in which the program is conducted. The portion applicable to subsequent periods is reported as deferred revenue until earned. At December 31, 2024 and 2023, deferred revenue relating to camps totaled \$13,451 and \$11,848, respectively, and the related performance obligations are expected to be satisfied within one year. For the years ended December 31, 2024 and 2023, the URJ recognized camp-related program fees revenue of approximately \$11,848 and \$10,088, respectively, from amounts that were included in deferred revenue at the beginning of the year.

Contributions and Pledges

Contributions are recorded as revenue upon the receipt of cash or unconditional pledges. Contributions are considered to be revenue without donor restrictions and available for use, unless specifically restricted by the donor. Conditional contributions are recorded when the specified conditions have been met. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as contributions without donor restrictions.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any.

The URJ reports contributions received with donor stipulations or time considerations as to their use, as revenue with donor restrictions. When a donor's restriction is met, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as "Net assets released from restrictions."

The URJ is either the beneficiary or trustee of several irrevocable split-interest agreements. Contribution revenue from split-interest agreements is recognized at the date the agreement is established, net of the liability recorded for the present value of the estimated future payments to be made to the respective donors and/or beneficiaries. The contribution is recognized as revenue without donor restrictions if the donor does not restrict the use of the assets contributed to the URJ, and neither the agreement nor state law requires the assets received by the URJ to be invested until the income beneficiary's death. If neither of these situations exists, the contribution portion of the split-interest agreements is recognized as a contribution without donor restrictions (see Note 4).

The URJ records bequest income and the beneficial interest in perpetual trusts at the time it has an established right to such resources and can estimate the eventual proceeds.

From time to time, the URJ receives donor gifts in the form of stock donations, typically in publicly-traded companies. It is the policy of the URJ to liquidate such stock contributions as soon as practicable. Donated stock is recorded and acknowledged on the date of receipt as contribution revenue. The amount of

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

contribution revenue that is recorded equals the average of the high and low selling prices of the stock on the date received. The contribution is classified with donor restrictions or without donor restrictions based on any time or use requirements articulated by the donor. The difference between the initial valuation of the contributed stock as of the receipt date and the subsequent sale date is recognized in the statement of activities as contra-revenue to account for the net proceeds for the respective period.

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the accompanying consolidated statement of activities. The accompanying consolidated statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated by management, using appropriate measurement methodologies, among the program services, management and general and fundraising.

The expenses that are allocated include the following:

Expense	Method of Allocation
Personnel costs	Time and effort
Marketing and communications	Time and effort and direct costs
Insurance	Direct costs, location of insured assets and full-time equivalent positions
Depreciation and amortization	Straight-line over useful life
Shared services - interdepartmental	Full-time equivalent positions, direct costs, and square footage

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, liabilities, revenues and expenses, as well as disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Cash and Cash Equivalents

For financial reporting purposes, the URJ considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. Cash equivalents and certificates of deposit considered to be part of the investment portfolio are reflected as "Investments" in the accompanying consolidated statement of financial position.

Reform Movement Affiliation Commitment ("RMAC")

Revenue from congregations provides financial support (in the form of RMAC) to the URJ and the Hebrew Union College - Jewish Institute of Religion (the "HUC-JIR"), a separate corporation. Congregations contribute 4% of their adjusted operating revenues, but may request adjustments based on financial hardship. Staff meet with congregation representatives to agree on such adjustments in accordance with policies set by the RMAC Policy Review Committee of the Board. The URJ and the HUC-JIR have agreed to allocate cash collections of RMAC by the URJ according to the following formula: 56% to the URJ and 44% to HUC-JIR.

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

Receivables

Contributions receivable are reported at the outstanding unpaid principal balances, reduced by an allowance for uncollectible contributions and net present value calculation, as appropriate. The URJ estimates its doubtful accounts based on historical bad debt, factors related to specific donors' ability to pay and current economic trends. The URJ writes-off contributions receivable against the allowance when a balance is determined to be uncollectible. Subsequent collections of amounts previously written-off, if any, are credited to income when received.

RMAC receivables, accounts and loans receivable, and camp fees receivable are recorded at net realizable value, which consists of the carrying amount less the allowance for doubtful accounts. The URJ maintains an allowance for doubtful accounts for estimated losses resulting from the inability of individuals or organizations to make required payments. The URJ considers the following factors when determining the collectability of specific accounts: past transaction history, current economic trends, and changes in payment terms. If the financial condition of an individual or organization were to deteriorate, adversely affecting their ability to make payments, additional allowances may be required. Based on management's assessment, the URJ provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the URJ has made reasonable collection efforts are written-off through a charge to the valuation allowance and reduction to the receivable.

Investments

Investments are reported at fair value. 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. (See Note 3 for a discussion of fair value measurements.)

Donated securities are reported at fair value as determined on the date of donation.

Investment transactions are recorded on a trade-date basis. Realized gains or losses on investments are determined by comparison of the average cost of acquisition to proceeds at the time of disposition. Dividends and interest are recognized when earned.

Investment expenses include the services of bank trustees, investment managers and custodians. The balances of investment management fees disclosed in Note 3 are those specific fees charged by the URJ's various managers during the years ended December 31, 2024 and 2023; however, they do not include those fees that are embedded in various other investment accounts and transactions.

Property and Equipment

Property and equipment are reported at their original costs or at fair value on the date of donation. Depreciation is provided over the estimated useful lives of these assets, which range from three to 40 years. Likewise, leasehold improvements are amortized over the shorter of the term of the underlying leases or useful life of the improvement. Depreciation and amortization are calculated using the straight-line method.

Construction-in-progress is stated at cost and includes amounts expended on property and equipment which have not yet been placed in service. Such assets are not depreciated until placed in service.

Impairment of Long-lived Assets

The URJ evaluates its long-lived assets for impairment in accordance with the guidelines of FASB ASC 360, *Property, Plant and Equipment*. If this evaluation indicates that an impairment loss should be recognized, the URJ will charge operations for the estimated impairment loss in the period determined. There were no impairment charges recognized for the years ended December 31, 2024 and 2023.

Union for Reform Judaism and Consolidated Entities
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Goodwill

Goodwill represents the excess of the purchase price over the fair value of net tangible and intangible assets acquired in a business combination and is not amortized. The URJ evaluates goodwill for impairment annually and more frequently if certain indicators are encountered that may indicate that the carrying value of goodwill may not be fully recoverable. Losses due to impairment are recognized in changes in net assets in the period impaired. Management has determined that there was no impairment of goodwill during the years ended December 31, 2024 and 2023.

Net Assets

Net Assets without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions.

The URJ's Board of Trustees has designated, from net assets without donor restrictions, net assets for a board-designated fund. The board-designated fund was established to provide an internal source for strategic initiatives of the URJ. Board-designated net assets totaled \$36,026 and \$32,613 as of December 31, 2024 and 2023, respectively.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or that support specific programs. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, and are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as "Net assets released from restrictions."

Rental Income

The URJ rents office space to its entities. Rental income is recognized on the straight-line method of accounting required by U.S. GAAP, under which rent payment increases are recognized evenly throughout the year. Rent is billed to its entities who occupy space in the New York main office as part of shared services (see Note 12). As a result of COVID-19, most affiliate staff still work remotely and utilize the office as needed or desired. This transition has not reduced the rent billed to the affiliates as they still maintain the same office footprint as prior to the pandemic.

Foreign Currency Translation

Substantially all assets and liabilities of foreign operations are translated at year-end exchange rates; public support and revenues and expenses are translated at the average exchange rates during the year. Translation adjustments for assets and liabilities are accumulated separately as part of net assets. Gains and losses from foreign currency translations are included in the consolidated statement of activities.

Measure of Operations

The accompanying consolidated statements of activities distinguish between operating and non-operating activities. Operating activities include all revenues and expenses that are an integral part of the URJ's programs and supporting activities, including an authorized investment return allocation. Non-operating activities include excess of investment return (loss) over amounts utilized in operations, pension-related changes other than periodic costs, capital contributions and related uses and other nonrecurring activities gains and losses.

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Income Tax Uncertainties

The URJ is a Section 501(c)(3) organization, exempt from federal income taxes under Section 501(a) of the U.S. IRC.

The URJ recognizes and measures its unrecognized tax benefits in accordance with FASB ASC 740, *Income Taxes*. Under that guidance, the URJ assesses the likelihood of uncertain tax provisions based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances, and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available or when an event occurs that requires a change.

Management has evaluated the URJ's tax positions and has concluded that the URJ has taken no uncertain tax positions that require adjustment to the consolidated financial statements.

Accounting Pronouncements Issued

In June 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-13, *Measurement of Credit Losses on Financial Instruments*. The amendments require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations are now required to use forward-looking information to better inform their credit loss estimates. In addition, ASU No. 2016-13 amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. This new guidance is effective for the current fiscal year in accordance with ASU No. 2019-10, *Financial Instruments - Credit Losses (Topic 326), Derivatives and Hedging (Topic 815) and Leases (Topic 842) Effective Dates*. The URJ has assessed the impact of this guidance on its estimation of credit losses on its accounts and loans receivable, Reform Movement Affiliation Commitment ("RMAC") receivable, and camp fees receivable and notes that there is no material impact.

Reclassification

Certain prior year amounts have been reclassified to conform to current year presentation.

Subsequent Events

The URJ has evaluated all material subsequent events through June 27, 2025, the date that these consolidated financial statements were available to be issued. There were no other material subsequent events that required recognition or additional disclosure in these consolidated financial statements.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The URJ structures its financial assets to make sufficient liquid assets available to pay its general expenditures, liabilities and other obligations as they become due.

There are seasonal variations to the URJ's working capital and cash flows based on the timing of summer camps and other periodic events. The URJ collects a majority of camp tuitions over the five months prior to the start of the camp season. Similarly, a significant amount of expenses are prepaid prior to the start of camp (vendor deposits, et al.). To provide for sufficient liquidity, the URJ maintains a line of credit of \$6,000 with Bank of America (formerly with Flagstar Bank) (see Note 7).

The URJ's board-designated fund, and certain donor-restricted funds, have a spending policy as described in Note 9. Although the URJ does not intend to spend from its board-designated fund other than amounts appropriated for general expenditures as part of the annual budget process, the total \$26,846 and \$22,544

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of board-designated net assets as of December 31, 2024 and 2023, respectively, could be made available with board approval.

The following reflects the URJ's financial assets as of December 31, 2024 and 2023, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions or board designation. Amounts available include board-approved spending and appropriations from endowment and restricted funds as well as amounts budgeted to be released into operations the following year from donor-restricted funds.

	2024	2023
Financial assets at year end:		
Cash and cash equivalents	\$ 17,752	\$ 17,489
Contributions receivable, net	8,791	9,758
RMAC receivable, net	1,339	1,527
Accounts and loans receivable, net	4,625	4,010
Camp fees receivable, net	692	1,722
Investments	113,620	112,400
Total financial assets	<u>146,819</u>	<u>146,906</u>
Less: amounts not available for operations within one year		
Employee loan receivable	(250)	(300)
Funds with contractual or donor-imposed restrictions held in cash and investments:		
Net assets held in perpetuity	(16,180)	(15,725)
Other donor-restricted funds not available to support next year's operations	(21,208)	(24,370)
Investments held in charitable remainder trusts and charitable gift annuities	(218)	(187)
Board-designated funds collateralizing certain notes and mortgage payable	(3,172)	(5,885)
Board-designated funds, net of board-approved appropriations for next year's operations and net of collateral amounts held	<u>(26,846)</u>	<u>(22,544)</u>
Total financial assets not available for operations within one year	<u>(67,874)</u>	<u>(69,011)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 78,945</u>	<u>\$ 77,895</u>

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NOTE 3 - FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair value measurements. These valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 - Valuations are based on observable inputs that reflect quoted market prices in active markets for identical assets and liabilities at the reporting date.
- Level 2 - Valuations are based on (i) quoted prices for similar assets or liabilities in active markets, or (ii) quoted prices for identical or similar assets or liabilities in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 - Valuations are determined based on pricing inputs that are unobservable and include situations where (i) there is little, if any, market activity for the asset or liability or (ii) the underlying investments cannot be independently valued or cannot be immediately redeemed at or near the fiscal year end.

The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Fund's perceived risk of that instrument.

Assets and liabilities measured at fair value are based on one or more of three valuation techniques identified in the tables below. The valuation techniques are as follows:

- (a) *Market approach*. Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;
- (b) *Cost approach*. Amount that would be required to replace the service capacity of an asset (replacement cost); and
- (c) *Income approach*. Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models).

The URJ also measures certain investments using a net asset value ("NAV") per ownership share, which is exempted from categorization within the fair value hierarchy and related disclosures, detailed above. Instead, the URJ separately discloses the information required for assets measured using the NAV practical expedient and discloses reconciling items between the total amount of investments categorized within the fair value hierarchy and total investments measured at fair value as reported on the consolidated statement of financial position.

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The following tables summarize the URJ's investments measured at fair value on a recurring basis, categorized by U.S. GAAP's valuation hierarchy as of December 31, 2024:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Valuation Technique</u>	<u># of Funds</u>	<u>Redemption or Liquidation Frequency</u>	<u>Days' Notice</u>
Money market mutual funds	\$ 2,088	\$ 2,088	\$ -	(a)			
Stocks	966	966	-	(a)			
Bonds	2,514	-	2,514	(a)			
Mutual funds:							
Equity	27,233	27,233	-	(a)			
Fixed income	16,956	16,956	-				
U.S. Treasury Bills	26,050	26,050	-	(a)			
Total	<u>75,807</u>	<u>73,293</u>	<u>2,514</u>				
Cash on deposit and certificates of deposit	<u>2,502</u>	<u>-</u>	<u>-</u>				
Alternative investments measured at NAV:							
Hedge funds	5,564	-	-		2	Quarterly	60
Global equity funds	7,603	-	-		2	Daily/Weekly	3
Global equity fund - customized ESG	5,168	-	-		1	Daily	None
Multi-sector fixed income	5,255	-	-		1	Daily	None
Emerging markets equity funds	2,172	-	-		1	Monthly	15
Domestic equity	7,342	-	-		1	Daily	None
Liquid real assets	2,207	-	-		1	Daily	None
Total investments	<u>\$ 113,620</u>	<u>\$ 73,293</u>	<u>\$ 2,514</u>		<u>9</u>		

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The following tables summarize the URJ's investments measured at fair value on a recurring basis, categorized by U.S. GAAP's valuation hierarchy as of December 31, 2023:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Valuation Technique</u>	<u># of Funds</u>	<u>Redemption or Liquidation Frequency</u>	<u>Days' Notice</u>
Money market mutual funds	\$ 2,056	\$ 2,056	\$ -	(a)			
Stocks	1,000	1,000	-	(a)			
Bonds	584	-	584	(a)			
Mutual funds:							
Equity	29,479	29,479	-	(a)			
Fixed income	18,212	18,212	-	(a)			
U.S. Treasury Bills	26,370	26,370	-	(a)			
Total	77,701	77,117	584				
Cash on deposit and certificates of deposit	1,375	-	-				
Alternative investments measured at NAV:							
Hedge funds	4,758	-	-		2	Quarterly	60
Global equity funds	7,397	-	-		2	Daily/Weekly	3
Global equity fund - customized ESG	4,393	-	-		1	Daily	None
Multi-sector fixed income	5,637	-	-		1	Daily	None
Emerging markets equity funds	2,152	-	-		1	Monthly	15
Domestic equity	6,873	-	-		1	Daily	None
Liquid real assets	2,114	-	-		1	Daily	None
Total investments	\$ 112,400	\$ 77,117	\$ 584		9		

Investment Style/Strategy:

Hedge Funds

Commingled product that invests actively across multi-sector structured credit securities. The strategy seeks to rotate its investments across various sub-sectors, vintages, credit qualities, and tranches. Investments are made primarily to exploit opportunities created by relative mispricing at the underlying credit as well as at the structural level. In the aim of exploiting such mispricing, the fund will take long and short positions in cash bonds, derivatives or indices.

Global Equity Funds

Investment style is growth/core, long-term focusing on quality sustainable businesses; goal is to outperform their benchmarks by 200+ basis points over a full market cycle, which has been historically achieved, consistently, by several hundred basis points.

The fund seeks to achieve attractive long-term rate of return; Concentrated quality value focused. Strategy will tend to be overweight in consumer staples and will preserve capital in falling markets and match or lag rapidly rising markets; invest almost exclusively in developed market; 100% employee-owned investment boutique spun out of Morgan Stanley Investment Management.

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Investment Style/Strategy:

Global Equity Fund - Customized ESG	Custom-designed Environmental, Social, and Governance (“ESG”) fund structured as a mutual fund which holds stocks designed to mirror the performance of the Morgan Stanley Developed World Index. The fund holds only liquid shares of securities traded on major exchanges. The fund excludes stocks that do not meet the URJ’s ESG criteria (no tobacco stocks, for example). The fund is valued like an ETF or mutual fund, on a daily basis, based on the value of its underlying components and is fully liquid for participants.
Multi-Sector Fixed Income	Tactical Bond Fund is an agnostic multi-sector fixed income strategy targeting 3% - 6% volatility over a market cycle providing high risk-adjusted returns; may be highly correlated to credit markets
Emerging Markets Equity Funds	All-cap growth strategy that focuses on earnings-per-share growth and changes in earnings expectations. Strategy tends to be overweight in small cap segment. Bottom-up stock selection. This strategy tends to outperform in rising markets and give up performance in down markets.
Domestic Equity	U.S. large-cap value exposure to mitigate impact of rising interest rates and inflation on rate/inflation-sensitive stocks (such as energy and financial stocks)
Liquid Real Assets	Multi-asset class with passive exposure to inflation sensitive assets. Strategy aims to have an overall portfolio risk like that of longer-dated U.S. TIPS. Designed to be used as a complement to a stock and bond portfolio for inflation hedging (expected to outperform stocks and bonds during inflationary environments).

As of December 31, 2024 and 2023, the URJ did not have any unfunded capital commitments or lock-up provisions relating to its non-exchange traded alternative investments.

During the years ended December 31, 2024 and 2023, the URJ did not have any transfers between any of the levels of the fair value hierarchy.

The following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023:

- Mutual funds are valued at quoted market prices, which represent the net asset value of the securities held in such funds.
- Equities and bonds are valued at the fair value based on quoted market prices, when available, or market prices provided by recognized broker-dealers or fund managers.

Other Fair Value Disclosures

The amounts included in the consolidated statements of financial position for cash and cash equivalents, contributions, camp fees, and other receivables, accounts payable, accrued expenses and other liabilities, and annuities payable approximate fair value due to the short-term nature of these instruments. The fair values of notes payable are approximately equal to their carrying values, which have been estimated based

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upon the current rates offered to the URJ for debt of the same or similar types and remaining maturities of the outstanding debt instruments.

Investments

For the year ended December 31, 2024, investment return (net of fees of \$63) consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends, net of fees	\$ 461	\$ 632	\$ 1,093
Net realized and unrealized gains	4,675	3,346	8,021
Investment return	5,136	3,978	9,114
Investment return designated for operations	(2,591)	(1,656)	(4,247)
Investment return in excess of spending rate not designated for current operations	\$ 2,545	\$ 2,322	\$ 4,867

For the year ended December 31, 2023, investment return (net of fees of \$47) consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends, net of fees	\$ 423	\$ 668	\$ 1,091
Net realized and unrealized gains	7,018	2,944	9,962
Investment return	7,441	3,612	11,053
Investment return designated for operations	(2,101)	(2,085)	(4,186)
Investment return in excess of spending rate not designated for current operations	\$ 5,340	\$ 1,527	\$ 6,867

NOTE 4 - SPLIT-INTEREST AGREEMENTS

The URJ's investments include deferred-giving vehicles subject to split-interest agreements. The different types of agreements currently maintained by the URJ are the charitable gift annuity ("CGA"), the charitable remainder annuity trust ("CRAT"), the charitable remainder unitrust ("CRUT"), and a pooled life income fund ("PLF").

- CGAs are irrevocable gifts without donor restrictions under which the URJ agrees in turn to pay a life annuity to the donor or stipulated beneficiary. The contributed funds and the attendant liabilities immediately become part of the URJ's general assets and liabilities, subject to the URJ maintaining an actuarial reserve.

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- CRATs and CRUTs are time-restricted contributions not available to the URJ until after the death of the donor, who, while living, receives an annual payout from such trusts, based on a fixed percentage of the fair value of the invested funds for the CRUT, or a fixed dollar amount for the CRAT.
- The PLF is composed of donations which are consolidated in a money market account. Contributors receive a pro rata share of the actual ordinary income of the fund until their deaths, at which point the donors' share of the assets becomes available to the URJ.

The URJ initially values deferred gifts of cash at face value and those of equity securities at fair value; these values are then actuarially discounted. Of the \$113,620 and \$112,400 recorded as "Investments" in the accompanying consolidated statements of financial position, \$218 and \$201 pertain to split-interest agreements at December 31, 2024 and 2023, respectively. The associated estimated liabilities due to annuitants amounted to \$49 and \$56 at December 31, 2024 and 2023, respectively.

NOTE 5 - RECEIVABLES

Contributions Receivable, Net

At December 31, 2024 and 2023, contributions receivable were estimated to be due as follows:

	2024	2023
One year	\$ 6,560	\$ 6,971
2-5 years	2,959	3,435
Thereafter	-	5
	9,519	10,411
Less: allowance for uncollectible contributions	(554)	(521)
Reduction of pledges due in excess of one year to present value, at a rate of 4% in 2024 and 2023	(174)	(132)
	<u>\$ 8,791</u>	<u>\$ 9,758</u>

Approximately 22% and 35% of the contributions receivable balance at December 31, 2024 and 2023 was derived from three donors, respectively.

Reform Movement Affiliate Commitment ("RMAC") Receivable

At December 31, 2024 and 2023, RMAC receivable consisted of amounts due to the URJ from congregations. All amounts are due within one year unless otherwise agreed.

	2024	2023
Gross RMAC receivable	\$ 12,064	\$ 11,634
RMAC receivable - due to HUC- JIR	(5,307)	(5,119)
Less: allowance for RMAC receivable, net of portion to HUC-JIR	(5,418)	(4,988)
	<u>\$ 1,339</u>	<u>\$ 1,527</u>

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Accounts and Loans Receivable, net

At December 31, 2024 and 2023 accounts and loans receivable consisted of amounts due to the URJ from employees, affiliates and unrelated parties for exchange-type transactions, such as support services (including administrative and facility expenses), and employee loans and advances. All amounts are due in one year, except for \$250 that is due in two to five years. Based on management's past experience, \$32 has been reserved for doubtful collections of accounts and loans receivable at December 31, 2024 and 2023, respectively. The amount due from affiliated organizations at December 31, 2024 and 2023 was \$1,557 and \$1,703, respectively, (see Note 12).

Camp Fees Receivable, net

Camp fees receivable consisted of amounts due from off-season events held prior to December 31, 2023. All amounts are due within one year. \$42 has been reserved for doubtful collections of camp fees receivable at December 31, 2024 and 2023.

NOTE 6 - PROPERTY AND EQUIPMENT, NET

At December 31, 2024 and 2023, property and equipment consisted of the following:

	2024	2023
Land	\$ 12,104	\$ 12,040
Building and improvements	224,461	205,986
Furniture, fixtures, equipment, and other	17,212	16,432
	253,777	234,458
Less: accumulated depreciation and amortization	(111,730)	(105,084)
	142,047	129,374
Construction-in-progress	16,856	8,882
	<u>\$ 158,903</u>	<u>\$ 138,256</u>

Depreciation and amortization expense for the years ended December 31, 2024 and 2023, was \$6,651 and \$6,146, respectively.

During 2017, a URJ camp, located in California, was substantially impaired due to a wildfire. In addition to approximately \$29,000 of insurance proceeds that have already been received (2017-2019), the URJ received an additional \$1,000 in 2021, which represents the insurance policy coverage for building code upgrades.

Further, in 2020 The Fire Victim Trust (Trust) was established from the bankruptcy of PG&E Corporation (Pacific Gas and Electric Company) who, it was determined, was responsible for the start of several wildfires including the Tubbs fire, which destroyed the URJ camp. The purpose of the Trust is to compensate victims for damages caused by the fires. URJ submitted a claim and in 2023 was awarded approximately \$67.1 million for property damage and lost revenue. URJ received the first pro-rated portions of the award (60%), net of legal fees and other expenses, in the amount of \$30.9 million. In 2024, the URJ received an additional \$5,149 of proceeds, net of legal fees and other expenses, from the Trust. The proceeds are held

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in a segregated reserve fund to benefit the long-term recovery and sustainability of URJ Camp Newman and have been invested in an account with Neuberger Berman, held in highly liquid instruments while a long-term usage plan is established. (See also Note 3.)

NOTE 7 - NOTES AND MORTGAGE PAYABLE

At December 31, 2024 and 2023, the URJ had the following notes and mortgage payable:

	2024	2023
<u>Crane Lake Camp, Inc.</u>		
Mortgage note dated May 19, 1999, for the purchase of the assets of the camp. Annuity payments in variable amounts are due to the then-president of the camp in semi-annual installments through July 2028, as long as either the former president of the camp or his spouse is living. Upon the death of the survivor, a final payment is payable and the obligation to make future payments under the agreement ceases. This liability is valued at the present value of the future payments due utilizing a discount rate of 6%.	\$ 424	\$ 522
<u>OceanFirst Financial Corp. - North American Camp Loan</u>		
On August 23, 2016, the URJ modified an earlier note with the Capital Bank of New Jersey. The current note has a principal amount of \$6,000, a fixed rate of 3.625% and matures in August 2026. There are monthly payments of principal and interest of \$59.74. The note is secured by a pledge agreement on a portion of the URJ's investment. In 2019, OceanFirst Financial Corp. acquired Capital Bank of New Jersey. There was no change to the URJ's loan. In response to COVID-19, OceanFirst Financial Corp. granted deferment of three months of principal and interest payments to the end of the term loan.	1,366	2,020
<u>Foundation for Jewish Camps Loan - GUCI Municipal Sanitary Line Connection Project</u>		
Term interest-free loan with a foundation dated March 29, 2018, in the original amount of \$400. Principal payments of equal quarterly installments commencing July 1, 2018, and continuing through March 31, 2023. The loan is secured by a letter of credit. In 2020 FJC granted one year forbearance of principal payments and extended the loan term by 10 months.	-	21
<u>Foundation for Jewish Camps Loan - Kalsman Arts Center</u>		
Term interest-free loan with a foundation dated March 29, 2018, in the original amount of \$600. Principal payments of equal quarterly installments commencing July 1, 2018, and continuing through March 31, 2023. The loan is secured by a letter of credit. In 2020 FJC granted one year forbearance of principal payments and extended the loan term by 10 months.	-	32
<u>Foundation for Jewish Camps Loan - OSRUI Cultural Center</u>		

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	2024	2023
Term interest-free loan with a foundation dated April 17, 2019, in the original amount of \$1,000. Principal payments of equal quarterly installments commencing October 1, 2019, and continuing through June 30, 2024. The loan is secured by a letter of credit. In 2020 FJC granted one year forbearance of principal payments and extended the loan term by 12 months.	\$ 150	\$ 350
<u>Foundation for Jewish Camps Loan - Camp Newman Restoration</u>		
Term interest-free loan with a foundation dated October 26, 2020, in the original amount of \$1,000. Principal payments of equal quarterly installments commencing April 1, 2021, and continuing through January 1, 2026. The loan is secured by a letter of credit Held by Flagstar Bank.	250	450
<u>Foundation for Jewish Camps Loan Nonspecific</u>		
Term interest-free loan with a foundation dated October 26, 2020, in the original amount of \$450. Principal payments of equal quarterly installments commencing April 1, 2021, and continuing through January 1, 2026. The loan is secured by a letter of credit Held by Flagstar Bank.	113	202
<u>Foundation for Jewish Camps Loan Nonspecific</u>		
Term interest-free loan with a foundation dated November 15, 2021, in the original amount of \$1,000. Principal payments of equal quarterly installments commencing April 1, 2022, and continuing through January 1, 2025. The loan is secured by a letter of credit held by Flagstar Bank.	83	417
<u>Foundation for Jewish Camps Loan - Camp Jacobs Athletic Center</u>		
Term interest-free loan with a foundation dated April 17, 2024, in the original amount of \$1,000. Principal payments of equal quarterly installments commencing October 1, 2024, and continuing through July 1, 2029. The loan is secured by a letter of credit held by Bank of America.	950	-

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	<u>2024</u>	<u>2023</u>
<u>Atlantic Union Bank – Working Capital Loan</u>		
Term note with a bank dated July 17, 2020, in the original amount of \$26,500. The note has a fixed interest rate of 2.87% per annum with interest only payments for the first five years, beginning August 17, 2020. Monthly principal and interest payments starting September 1, 2025, at \$146. The loan is amortized over 25 years with a 10-year term. The note matures on July 17, 2030. The note is secured by a negative pledge agreement on two URJ's properties located in New York City and District of Columbia. The loan requires the URJ to meet certain covenants, including a minimum Fixed Coverage Cost Ratio ("FCCR") as well as maintain specific liquidity levels. URJ was in compliance with all loan covenants at December 31, 2024 and 2023.	\$ 26,500	\$ 26,500
<u>Flagstar Bank (formerly Signature Bank)</u>		
At December 31, 2023, the URJ had an unsecured line of credit totaling \$6,000, of which \$3,800 was drawn down. The line bears interest at AMERIBOR plus 1.5%, with a floor of 2.75%. The interest rate at December 31, 2023 was 6.93%. The line renewed on March 14, 2024, for three months. The line expired and closed, and a new credit facility was established with Bank of America.	-	3,800
<u>Bank of America</u>		
On June 24, 2024, the URJ established an unsecured line of credit totaling \$6,000, of which \$3,800 was drawn down and remained outstanding at December 31, 2024. The interest rate at December 31, 2024 was 6.93%. The line is set to expire on June 23, 2025 and expiration has been extended to August 7, 2025.	3,800	-
	<u>\$ 33,636</u>	<u>\$ 34,314</u>

Minimum annual future payments under the loan agreements, for years subsequent to December 31, 2024, are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 5,574
2026	1,861
2027	1,137
2028	1,134
2029	1,018
Thereafter	22,912
	<u>\$ 33,636</u>

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

At December 31, 2024 and 2023, the URJ had standby letters of credit totaling \$2,622 and \$2,133, respectively, which will expire through 2030. The letters of credit are used as security for loans given by unrelated organizations for the renovation of several camp sites.

NOTE 8 - NET ASSETS

Net assets without donor restrictions at December 31, 2024 and 2023 were comprised of the following:

	2024	2023
Property and equipment	\$ 155,567	\$ 134,242
Board-designated funds	36,026	32,613
Operations	2,685	11,037
	<u>\$ 194,278</u>	<u>\$ 177,892</u>

At December 31, 2024 and 2023, net assets (including allocations of investment gains and losses) with donor restrictions were as follows:

	2024	2023
Building and improvements, principally camp-related	\$ 10,107	\$ 10,093
Immersive programs	24,069	23,647
Justice initiatives	19,045	16,702
Congregational engagement and leadership experiences	1,588	1,621
Growth and engagement initiatives	354	175
Other mission-related programs	4,585	3,888
Operating support	2,026	2,023
Communications/publications/learning/training	430	377
	<u>\$ 62,204</u>	<u>\$ 58,526</u>

During the years ended December 31, 2024 and 2023, net assets were released from donor restrictions for the following purposes:

	2024	2023
Building and improvements, principally camp-related	\$ 17,686	\$ 15,562
Immersive programs	7,544	8,408
Social change initiatives	4,404	3,347
Congregational engagement and leadership experiences	302	243
Network expansion experiences	144	199
Other mission-related programs	441	2,142
Communications/publications/learning/training	-	102
	<u>\$ 30,521</u>	<u>\$ 30,003</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

At December 31, 2024 and 2023, URJ held net assets required to be held in perpetuity with donor restrictions to support the following:

	2024	2022
Immersive programs	\$ 8,828	\$ 8,476
Social change initiatives	3,782	3,682
Congregational engagement and leadership experiences	900	900
Operating support	2,026	2,023
Other mission-related programs	644	644
	<u>\$ 16,180</u>	<u>\$ 15,725</u>

NOTE 9 - ACCOUNTING AND REPORTING FOR ENDOWMENTS, DONOR-RESTRICTED, AND BOARD-DESIGNATED FUNDS

The Endowments

The URJ's endowment was established based on its mission and consists of both donor-restricted endowment funds and funds designated by the Board of Trustees to function as an endowment. Net assets associated with endowment funds are classified and reported based on U.S. GAAP. Board-designated fund and related net gains and losses are classified as net assets without donor restrictions. Funds with donor-imposed restrictions are classified as net assets with donor restrictions, with net gains and losses reported as with donor restrictions. Spending from board-designated funds is subject to approval by the URJ's Board of Trustees.

Interpretation of Relevant Law

The Uniform Prudent Management of Institutional Funds Act ("UPMIFA") is applicable to all of the URJ's institutional funds, including its donor-restricted and board-designated endowment funds. The Board of Trustees will continue to adhere to UPMIFA's requirements.

Endowment net asset composition by type of fund at December 31, 2024 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated funds	\$ 36,026	\$ -	\$ 36,026
Donor-restricted funds	-	21,473	21,473
	<u>\$ 36,026</u>	<u>\$ 21,473</u>	<u>\$ 57,499</u>

Endowment net asset composition by type of fund at December 31, 2023 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated funds	\$ 32,613	\$ -	\$ 32,613
Donor-restricted funds	-	19,312	19,312
	<u>\$ 32,613</u>	<u>\$ 19,312</u>	<u>\$ 51,925</u>

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

As of December 31, 2024 and 2023, included in the URJ's endowment are net assets with donor restrictions that are (1) required to be held in perpetuity totaling \$16,180 and \$15,725, respectively, and (2) the related appreciation totaling \$5,293 and \$3,587, that is to be used to support the related programmatic purpose. See Note 8 for the restrictions on these net assets.

Changes in endowment net assets for the year ended December 31, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets - December 31, 2023	\$ 32,613	\$ 19,312	\$ 51,925
Contributions	916	429	1,345
Investment return:			
Interest and dividends	165	279	444
Realized/unrealized appreciation	4,008	2,171	6,179
Investment return designated for current operations	(1,632)	(459)	(2,091)
Total investment return	2,541	1,991	4,532
Appropriated for expenditures/donor releases/foreign exchange loss	(44)	(259)	(303)
Net assets - December 31, 2024	<u>\$ 36,026</u>	<u>\$ 21,473</u>	<u>\$ 57,499</u>

The amounts reflected as appropriated for expenditure were drawn from the endowment subsequent to year end.

Changes in endowment net assets for the year ended December 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets - December 31, 2022	\$ 29,276	\$ 18,087	\$ 47,363
Contributions	1,022	145	1,167
Investment return:			
Interest and dividends	399	152	551
Realized/unrealized appreciation	3,522	2,279	5,801
Investment return designated for current operations	(1,569)	(650)	(2,219)
Total investment return	2,352	1,781	4,133
Appropriated for expenditures/donor releases/foreign exchange loss	(37)	(701)	(738)
Net assets - December 31, 2023	<u>\$ 32,613</u>	<u>\$ 19,312</u>	<u>\$ 51,925</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with net assets with donor restrictions required to be held in perpetuity may decline below the historical dollar value of the donor's original corpus contribution.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

Under the terms of UPMIFA, the URJ has no responsibility to restore such decreases in value, should any exist. At December 31, 2024, the URJ had no endowment funds with a deficit balance.

Return Objectives and Risk Parameters

The URJ has an Investment Policy Statement (“IPS”) for all funds in its investment pool, including endowment funds. The overall objective for endowment assets is to provide the operations of the URJ with a relatively stable stream of spendable revenue that grows over time and at a minimum keeps pace with inflation. If this is to be achieved over the long term, the inflation-adjusted value of the assets in the appropriate restricted funds must be preserved, net of annual distribution to programs. IPS compliance is monitored closely by the URJ’s Investment Committee of the Board of Trustees and reflects the following.

- Asset diversification to provide reasonable assurance that no single security or class of security will have disproportionate impact on the total endowment assets.
- Assessment at least annually by the Investment Committee of the appropriateness of the IPS, with recommended changes, if any, to be approved by the Board of Trustees.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the URJ relies on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The portfolio will be invested with care, skill, prudence and diligence in accordance with fiduciary laws and regulations. Donations of securities are liquidated as quickly as practical, and the proceeds are either wired immediately to the URJ’s main operating account or invested in accordance with the IPS.

The long-term investment objective for the endowment assets is to attain a total return (net of investment management fees) that exceeds the average annual spending rate, as determined each period by the Board of Trustees as part of the URJ’s budget process.

Spending Policy and How the Investment Objectives Relate to the Spending Policy

The Committee for Endowments and Trust Funds, in consultation with the Investment Committee, recommends to the Board of Trustees for its consideration each year a spending rate that balances the need for support of the programmatic and capital initiatives of the URJ with the long-term expected investment return on the endowment. For the years ended December 31, 2024 and 2023, the spending rate was 5% based on the three-year average balance of the available portion of the board-designated fund and donor-restricted funds, resulting in an investment return designated for current operations of \$4,247 and \$4,186, respectively.

NOTE 10 - RETIREMENT PLANS

Defined-benefit Retirement Plan

The URJ has a contributory, defined-benefit retirement plan (the “Plan”) covering certain of its employees and employees of several of its affiliates. Plan assets are held in investment accounts operated in trust by various financial institutions. Effective June 30, 2009, the Plan’s sponsor has frozen participation and benefit accruals.

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

The following table sets forth the Plan's funded status and the amounts recognized in the URJ's consolidated financial statements at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Actuarial present value of benefit obligations:		
Accumulated benefit obligation	\$ (12,832)	\$ (13,754)
Projected benefit obligation	\$ (12,832)	\$ (13,754)
Fair value of Plan assets	<u>12,789</u>	<u>13,598</u>
Funded status	\$ (43)	\$ (156)
Prepaid (accumulated obligation) pension costs in the consolidated statements of financial position	<u>\$ (43)</u>	<u>\$ (156)</u>

Amounts recognized in changes in net assets without donor restrictions for the year ended December 31, 2024 are as follows:

Experience loss at January 1, 2024	\$ (35)
Asset losses	<u>(835)</u>
Net experience gains	\$ (870)
Amortization of net gain	\$ 216
Change in assumptions	<u>830</u>
	<u>\$ 176</u>

Amounts recognized in changes in net assets without donor restrictions for the year ended December 31, 2023 are as follows:

Experience loss at January 1, 2023	\$ (19)
Asset gains	<u>159</u>
Net experience gains	\$ 140
Amortization of net gain	\$ 211
Change in assumptions	<u>(237)</u>
	<u>\$ 114</u>

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

Components of net periodic benefits cost for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Interest cost	\$ 624	\$ 643
Expected return on plan assets	(777)	(945)
Amortization of net loss	216	211
Net periodic pension cost	<u>\$ 63</u>	<u>\$ (91)</u>
Benefits paid	<u>\$ 750</u>	<u>\$ 804</u>

As of December 31, 2024 and 2023, the net loss not yet recognized as a component of net periodic pension cost was \$6,344 and \$6,519, respectively.

<u>Weighted-average Assumptions</u>	2024	2023
Discount rate	5.41%	4.75%
Expected return on Plan assets	6.0%	7.5%
Rate of compensation increase	N/A	N/A

Investments of Plan assets are made for the purpose of providing retirement reserves for the present and future benefit of participants of the Plan. The assets are invested with the care, skill and diligence a prudent person acting in this capacity would exercise to comply with all objectives outlined herein, the Investment Advisers Act of 1940, and all other governing statutes.

The URJ's investment objective is to provide a balance among capital appreciation, preservation of capital, and current income, and to achieve an average annual return on all pension assets sufficient to meet its long-term pension obligations. High levels of risk are to be avoided; however, the Trustees of the Plan recognize that some risk is warranted to allow the investment manager the opportunity to achieve the satisfactory long-term results consistent with the objectives of the Plan.

The trustees of the Plan have discretion as to the asset allocation decisions of the total Plan assets and have put in place a strategy to increase the asset allocation to fixed income as the funding status increases.

As of December 31, 2024, the target allocations were as follows:

	<u>Target Allocation</u>
Domestic and international equities	15%
Fixed income	85%

As of December 31, 2023, the target allocations were as follows:

	<u>Target Allocation</u>
Domestic and international equities	15%
Fixed income	85%

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

At December 31, 2024 and 2023, the fair value of total Plan assets held was as follows:

	2024	2023
Cash and cash equivalents	\$ 3	\$ 20
Certificates of deposit	100	100
Community loan fund	100	100
Mutual funds:		
Bond funds	10,304	11,051
Equity funds	1,958	1,878
Group annuity contract	324	449
	<u>\$ 12,789</u>	<u>\$ 13,598</u>

All of the Plan's asset investments were classified within Level 1 of the fair value hierarchy at December 31, 2024 and 2023, except for the group annuity contract, which is reported at NAV.

No contributions were required to be made by the URJ to the Plan for the years ended December 31, 2024 and 2023.

The following table illustrates the estimated future benefit payments expected to be paid to Plan participants:

<u>Year Ending December 31,</u>	<u>Expected Benefit Distributions</u>
2025	\$ 893
2026	900
2027	995
2028	888
2029	956
2030-2034	4,529
	<u>\$ 9,161</u>

Multiple Employer Retirement Plan

The URJ participates in a multiple employer retirement plan ("Multiple Employer Plan") sponsored by the Reform Pension Board. Certain URJ staff member rabbis, cantors, and other senior staff participate in the Multiple Employer Plan. Total expense for such plan for the years ended December 31, 2024 and 2023 was \$1,096 and \$1,216, respectively.

Defined Contribution Plan

The URJ has a defined contribution retirement plan ("403(b) Plan") under Section 403(b) of the IRC which permits employees to make voluntary contributions to the 403(b) Plan for which the URJ may make a matching contribution of up to 3% of base salary for each eligible participant. Total plan expense for the years ended December 31, 2024 and 2023 was \$429 and \$351, respectively. The URJ, at its discretion, may choose to make an additional 2% contribution (of base salary) each year on behalf of its eligible employees. No additional contributions were made for the plan years 2024 or 2023.

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

NOTE 11 - CREDIT RISK

Financial instruments that potentially subject the URJ to concentrations of credit risk consist principally of cash and cash equivalents and investment accounts that are deposited in financial institutions in amounts which, from time to time, may exceed federal insurance limits. However, management believes that the URJ does not face a significant risk of loss on these accounts.

NOTE 12 - RELATED-PARTY TRANSACTIONS

The URJ provides various support services, including, but not limited to, providing payroll and fringe benefits, for several unconsolidated, affiliated organizations. These services are billed to the respective affiliated organization and amounted to \$1,842 and \$1,735 for the years ended December 31, 2024 and 2023, respectively.

The 6 Points Community and Conference Center, a nonprofit corporation (the "Corporation") is organized under the California Nonprofit Public Benefit Corporation Law for public and charitable purposes, specifically to operate a community center for the benefit of community-based groups in the San Francisco Bay Area of California. The Corporation was organized exclusively for charitable purposes and is exempt from federal taxes under Section 501(c)(3) of the IRC. The Corporation will construct and operate a Community and Conference Center that will be located at Camp Newman, which is owned by the URJ. The funding of the construction is secured by a grant from the State of California (through Sonoma County). The URJ has an operating agreement with the Corporation to manage the construction of the Community and Conference Center as well as to provide the resources needed to manage the reimbursements from the grant and provide accounting and finance services as needed. These services are provided by URJ to the Corporation at no cost.

At December 31, 2024 and 2023, affiliate receivables consisted of the following and are included in "Accounts and loans receivable, net" in the accompanying consolidated statement of financial position:

	2024	2023
Women of Reform Judaism, the Federation of Temple Sisterhoods	\$ 112	\$ 239
Association of Reform Jewish Educators	33	52
6 Points Community and Conference Center	1,412	1,412
	<u>\$ 1,557</u>	<u>\$ 1,703</u>

The receivable from the 6 Points Community and Conference Center at December 31, 2024 and 2023, represent reimbursements due from the Corporation for construction progress payments paid directly to the vendors by the URJ.

NOTE 13 - OPERATING LEASES

The URJ has entered into operating leases primarily for real estate. These leases have remaining terms of one to five years, and often include one or more options to renew at fair rental value.

Rent expense amounted to \$90 and \$148 for the years ended December 31, 2024 and 2023, respectively.

Because the rate implicit in each lease is not readily determinable, the URJ uses an incremental borrowing rate to determine the present value of the lease payments.

Union for Reform Judaism and Consolidated Entities
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023
(in thousands)

Information related to the URJ's right-of-use assets and related lease liabilities were as follows for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash paid for operating lease liabilities	\$ 90	\$ 148

Maturities of lease liabilities as of December 31, 2024 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 20
Less: imputed interest	<u>-</u>
	<u>\$ 20</u>

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Convention Agreements

The URJ has multiple agreements for future use of hotel and conference space for future conventions. Due to COVID-19, these conferences are being re-imagined in a different format focusing on sensitivities around public health and safety related to large public gatherings. The existing agreements are being re-negotiated with regard to the new strategy around conferences, as well as cancellations and refund clauses. The URJ carries applicable insurance coverage to mitigate the financial risks around event cancellations.

Construction in Progress

During the years ended December 31, 2024 and 2023, the URJ entered into contracts with architects, general contractors and related consultants for renovations and improvements to various camp facilities. Remaining commitments under the various contracts were \$4,936 and \$12,248 as of December 31, 2024 and 2023, respectively.

Legal Matters

The URJ is subject to legal action in the routine course of conducting its business. In management's opinion, however, there is no current legal action the outcome of which would have a material adverse impact on the URJ's consolidated financial statements.