



Meeting Agenda

Budget & Finance Committee

Thursday, April 14, 2022

3:00 PM

Board Room

CALL TO ORDER

NEW BUSINESS

1. Budget Presentation - Franklin Transit Authority
Sponsors: Vernon Gerth
2. Budget Presentation - Cool Springs Conference Center
Sponsors: Kristine Brock
3. Budget Presentation - Appropriations to Outside Agencies
Sponsors: Angelique Franzoni, Michael Walters Young
4. Budget Presentation - Water Management Fund
Sponsors: Michelle Hatcher
5. Budget Presentation - Hotel/Motel Fund
Sponsors: Kristine Brock, Michael Walters Young
6. Budget Presentation - Development Funds (City Facilities, County Facilities, Road Impact Fund, Parkland Dedication Fund)
Sponsors: Michael Walters Young
7. Budget Presentation - Debt Service Fund
Sponsors: Kristine Brock

OTHER BUSINESS

ADJOURN

Anyone needing accommodations due to disabilities please contact the ADA Coordinator at 615-791-3277 at least 24 hours prior to the meeting.



File #: 21-03092

DATE: March 31, 2022

TO: Budget & Finance Committee

FROM: Vernon Gerth, Asst. City Administrator Community Development

SUBJECT:

Budget Presentation - Franklin Transit Authority

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the budget request for the Franklin Transit Authority for FY 2022-2023.

BACKGROUND/STAFF COMMENTS:

Each year, the Budget & Finance Committee reviews the detailed budget of each City Department. At the meetings in February, March, and April, departmental staff makes a presentation of the plans for the next budget cycle and the requested funding for those anticipated needs. This provides the Committee with an idea of the size and scope of budget requests that may be included in the City Administrator's proposed budget, which is typically delivered at the May committee meeting.

FINANCIAL IMPACT:

The financial impact varies by department, depending on the increase in population, the required services, equipment replacement needs, and program enhancements.

RECOMMENDATION:

Staff recommends review of the budget materials. No action is required.



City of Franklin, Tennessee

FY 2023 Operating Budget Request

Franklin Transit Authority

Debbie Henry – Executive Director, TMA



City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Slide 2

Outline

- Purpose of Department**
- Organization Chart**
- Base Budget Request**
 - Overall**
 - Highlights**
- Program Enhancement Request**
- Summary**



City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Slide 3

Purpose of Department

Mission: The Franklin Transit Authority connects people and places by providing efficient, safe and affordable transportation services.

Responsibilities:

The planning, operations and management of the small system public transit system. Operating six days a week, featuring fixed route service, Transit on Demand (TODD, a pre-arranged curb to curb service within the City of Franklin,) and introducing micro-transit into the Cool Springs corridor for 2023.

The TMA Group is the contractor of record for the operations and management of the Franklin Transit Authority. The TMA Group is a regional leader in customized innovative, environmentally friendly, multimodal transportation solutions for employers and communities.



City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Slide 4

Highlights

Franklin Transit continued to operate services carrying essential employees, providing essential trips and welcoming passengers back as we emerge from Covid 19 and its variant year. The efforts of providing Personal Protective Equipment with plexiglass driver encasements and plexiglass cough shields for the passengers as well as extensive daily sanitation throughout facility and vehicles paid tremendous dividends. Franklin Transit drivers offered over 26,000 hours of service. Franklin Transit provided coordinated efforts for COVID vaccination information and free transit rides for the general public.

Ridership has begun to rebound and public transport to city festivals is back!

CARES Act and American Relief Act which Franklin Transit negotiated and secured through the Federal Transit Administration assisted operational budgets in 2022, decreasing the City of Franklin's expense. These funds will continue to provide relief for the City in 2023.

Franklin Transit is in the construction phase of three (3) shelters on the west side of Franklin and has surveyed and will be submitting plans for shelters on Carothers for this upcoming year.

Franklin Transit secured CMAQ grant funds to pilot and pay for 80 to 90 percent of a micro transit-uber like transit service for the Cool Springs corridor to begin operations in 2022/2023



City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Slide 5

Statistics:

71,000 passenger trips (estimate) – Emerging from Pandemic (45% increase)

50% are employment trips

15% are student trips

15% are medical appointments

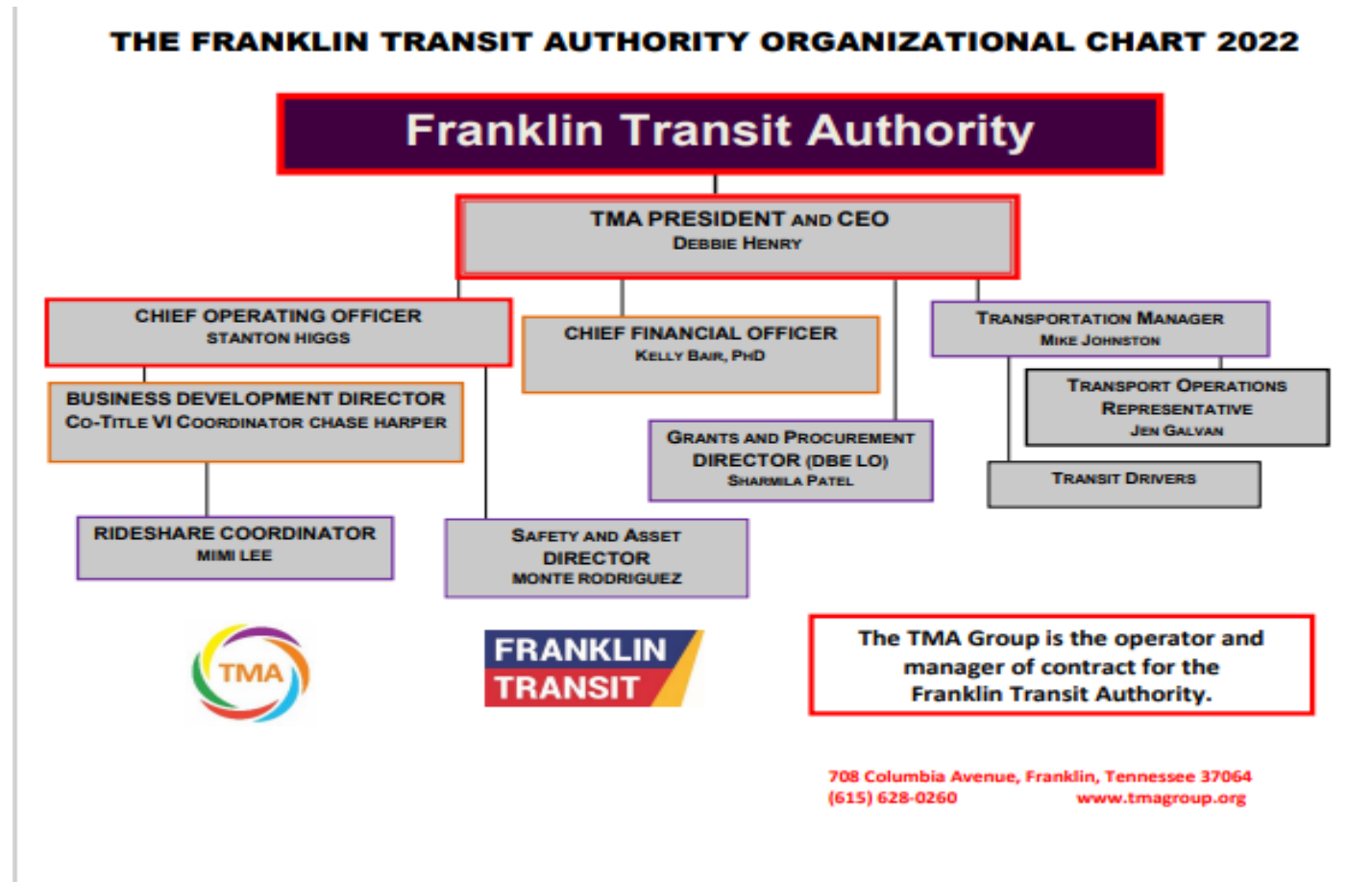
15% are for City events

5% trips are for shopping and social activities

City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Organization Chart



City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Slide 7

Base Budget Request: Overall

Budget							
	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference \$ %	
Opening Balance	817,649	817,912	772,584	772,584	772,484		
Revenues							
DEPT OF TRANSPORTATION (FEDERA	1,788,185	1,709,728	2,108,608	1,482,037	2,963,874	855,266	40.6%
TDOT (STATE)	344,134	324,530	358,111	287,617	376,400	18,289	5.1%
TRANSIT FARES	63,426	29,934	50,000	62,116	123,000	73,000	146.0%
INTEREST INCOME	33,788	3,122	-	-	-	-	#DIV/0!
RENTAL INCOME	10,500	8,900	9,700	9,700	9,700	-	0.0%
TRANSFER FROM GENERAL FUND*	371,653	777,341	821,384	747,481	953,271	131,887	16.1%
Total Available Funds	2,611,686	2,853,555	3,347,803	2,588,951	4,426,245	1,078,442	32.2%
Expenses (Operations)							
VEHICLE LICENSES & TITLES	27	70	100	100	200	100	100.0%
TRANSIT OPERATIONS	2,312,140	2,452,198	2,587,683	2,561,996	3,606,045	1,018,362	39.4%
IMPROVEMENTS	-	-	250,000	-	200,000	(50,000)	-20.0%
TRANSIT PLANNING	133,886	240,986	250,000	26,955	250,000	-	0.0%
VEHICLES (>\$25,000)	165,370	205,629	200,000	-	370,000	170,000	85.0%
Total Expenditures	2,611,423	2,898,883	3,287,783	2,589,051	4,426,245	1,138,462	34.6%
Ending Balance	817,912	772,584	832,604	772,484	772,484		



City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Slide 8

Base Budget Request: Overall

Highlights:

- **Revenues: \$4,426,245**
 - Increase in Federal funding supporting operations
 - Increase in fare revenue from 2021 low, due to Covid
 - CMAQ grant funding to assist operation of new Micro service
- **Expenses: \$4,426,245**
 - Increase in fuel, driver salaries, cleaning, general inflation
 - Increase TODD service for Berry Farms and South Carothers growth
 - Continued rollout of transit shelters on Carothers (\$250K)
 - Level funded Transit Planning monies
 - Onboard Safety & Security camera upgrade for vehicles
 - Increased marketing to increase ridership and new service
 - ***Inclusive of Program Enhancement Request – Cool Springs Microtransit***



City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Slide 9

Program Enhancement Request

Cool Springs Microtransit: \$545,386

- **Purpose: Provide increased transit circulation in the Cool Springs corridor**
- **Request is supported by a CMAQ grant (3-5 years)**
- **Service will supplement the existing fixed route service, but the service is zoned specifically to the Cool Springs corridor to facilitate quick trips with the intent of eliminating congestion during commute times as well as lunch time for employee's working in Cool Springs.**
- **Service uses smaller vans and is an app based on demand service.**



City of Franklin, Tennessee - FY 2023 Budget Request

Franklin Transit Authority

Slide 10

Summary

Franklin Transit Total Budget **\$ 4,426,245***
**inclusive of Program Enhancement (\$545,386)*

Request from City of Franklin	\$ 953,271
Operations Request:	\$ 871,271
Planning:	\$ 25,000
Capital:	\$ 57,000

We at the Franklin Transit Authority look forward to another year of serving our Franklin community and providing essential service to our citizens. We are committed to growing individual mobility while decreasing the congestion of our City streets.

Thank you for your continued support.



City of Franklin, Tennessee

FY 2023 Operating Budget

Transit

Debbie Henry, Executive Director

Budget Summary

	2020 Actual	2021 Actual	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Balance	\$ 817,649	\$ 817,912	\$ 772,584	\$ 772,584	\$ 772,484		
Revenues	\$ 2,611,686	\$ 2,853,555	\$ 3,347,803	\$ 2,588,951	\$ 4,426,245	\$ 1,078,442	32.21%
Expenditures	\$ 2,611,423	\$ 2,898,883	\$ 3,287,783	\$ 2,589,051	\$ 4,426,245	\$ 1,138,462	34.63%
Ending Balance	\$ 817,912	\$ 772,584	\$ 832,604	\$ 772,484	\$ 772,484		

Department Mission:

The Franklin Transit Authority connects people and places by providing efficient, effective and affordable transportation services.

Department Objectives:

- The planning, operations, and management of the small system public transit system.
- Operating six days a week, service us comprised of: fixed routes service, as well as Transit On Demand (TODD) a pre-arranged curb-to-curb service, within the City of Franklin including Cool Springs.
- The TMA Group is the contractor of record for the operations and management of the transit system on behalf of the Franklin Transit Authority. The TMA Group is a regional leader in customizing innovative, environmentally friendly, multi-modal transportation solutions.



Department Accomplishments:

Franklin Transit continued to operate services carrying essential employees, providing essential trips and welcoming passengers back as we emerge from Covid 19 and its variant year. The efforts of providing Personal Protective Equipment with plexiglass driver encasements and plexiglass cough shields for the passengers as well as extensive daily sanitation throughout facility and vehicles paid tremendous dividends. Franklin Transit drivers offered over 26,000 hours of service. Franklin Transit provided coordinated efforts for COVID vaccination information and free transit rides for the general public.

The Administration CARES Act and American Relief Act which Franklin Transit negotiated and secured through the Federal Transit Administration assisted operational budgets in 2021 and will continue to provide funds post pandemic.

Franklin Transit is in construction of three (3) shelters on the west side of Franklin and has surveyed and will be submitting plans and construction for shelters on Carothers for this upcoming year.

Franklin Transit secured CMAQ grant funds to pilot and pay for 80 to 90 percent of a microtransit, uber like service for the Cool Springs corridor to begin service in 2022/2023



City of Franklin, Tennessee

FY 2023 Operating Budget

Performance Measures

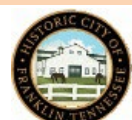
How a community utilizes its resources must be governed in accordance with its citizens wishes and its plans for the future. Therefore, the City of Franklin has established **FranklinForward : A Vision for 2033**. This Strategic Plan has specific and demonstrable objectives for each department which, when achieved individually, will cohesively move Franklin forward to meet the challenges and demands of the future.

Each budget has a series of performance measures and benchmarks attached to it which demonstrate the workload, effectiveness and outcome of taxpayer support for the annual operations of the City of Franklin and its pursuit of the goals of the Strategic Plan. Together, these measures demonstrate a proper and diligent use of taxpayer dollars in the pursuit of a greater community.



FranklinForward : A Vision for 2033 | Objectives for Developing a Strategic Plan

Theme: Quality Life Experiences



To reduce energy costs, road congestion and improve air quality by better use of alternative transportation services

Goal: To increase inventory of transit hubs, park-and-ride sites, and alternative services in Franklin.

Baseline: Inventory of current transit hubs, number of park-and-ride parking lots, and description of alternative transportation services available in Franklin. (TMA)

Goal: To increase the number of riders using the Franklin Transit Authority.

Baseline: 52,034 riders in 2009 (Last data available on Nashville MPO site).

Outcome Measures

	2019	2020	2021	2022*	2023*
Increase the Inventory of transit hubs, park-and-ride sites, and alternative services in Franklin.					
Added Transit hubs, Park& Ride sites	-	-	3	3	8
Total	136	136	139	142	150
<i>Increase from Prior year?</i>	0.00%	0.00%	3.00%	3.00%	5.00%
Meeting Goal?	Yes	Yes	Yes	Yes	Yes
Increase the number of riders using the Franklin Transit Authority.					
Ridership					
Franklin Transit Fixed Route	53,127	45,000	26,000	49,000	60,000
Transit On Demand (TODD)	27,187	21,000	14,100	22,000	26,000
Microtransit Cool Springs					20,000
Total	80,314	66,000	40,100	71,000	86,000
<i>Increase from Prior year?</i>	Yes	-17.82%	-39.24%	44.00%	18.00%
Meeting Goal?	Yes	No	No	Yes	Yes

All numbers shown are Fiscal Year (July 1- June 30).

*2022 and 2023 are estimated

Statistics:

71,100 passenger trips (approx.) Returning to pre covid numbers

50% are employment trips

15% are student trips

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City of Franklin, Tennessee

FY 2023 Operating Budget

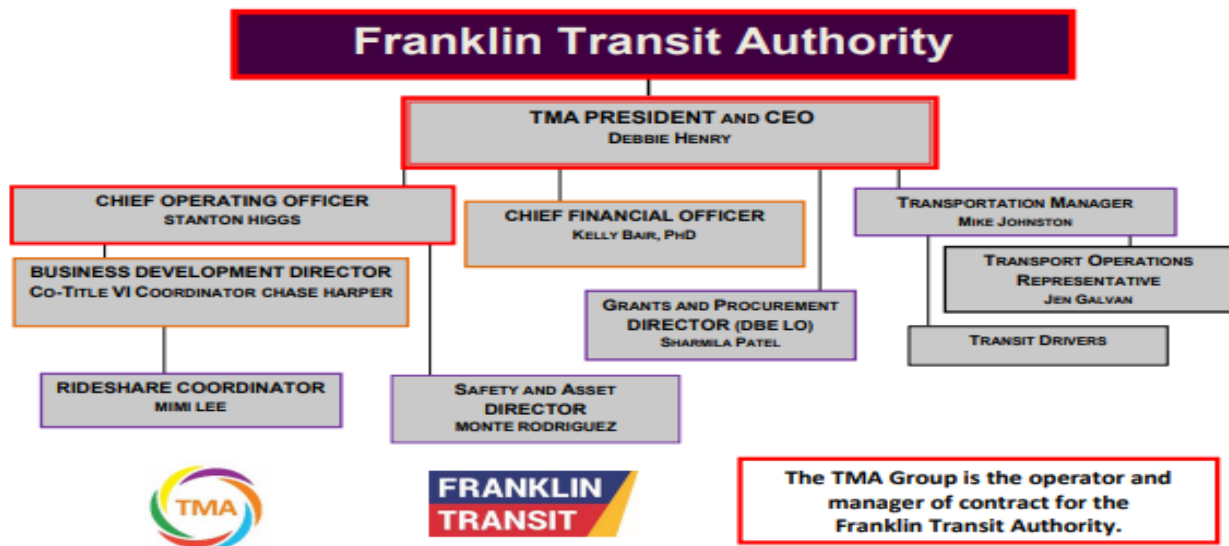
Performance Measures (con't)

Franklin Citizens Survey

		2016 Citizens Survey		2019 Citizens Survey	
		Excellent/ Good	Fair/Poor	Excellent/ Good	Fair/Poor
☒	% rating the quality of bus or transit service	42%	58%	54%	46%

Organizational Chart

THE FRANKLIN TRANSIT AUTHORITY ORGANIZATIONAL CHART 2022



708 Columbia Avenue, Franklin, Tennessee 37064
(615) 628-0260 www.tmagroup.org



City of Franklin, Tennessee

FY 2023 Operating Budget

Budget

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference	
						\$	%
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Notes & Objectives

Overall, the FTA distributes its expenses between the Federal government, State government and City of Franklin as follows:

- Capital Expenditures: 80% federal, 10% state, 10% local;
- Preventive Maintenance Expenses: 80% federal and 20% local;
- Planning Expenses: 80% federal, 10% state, and 10% local.

FY 2023 Program Enhancement Request Form

 HISTORIC FRANKLIN TENNESSEE	Intended Year:	2023	Department Priority:	1	of	1
	Department:	47200 TRANSIT				
	Division:					
	FranklinForward Theme:	Quality Life Experiences				
	Title:	Cool Springs MicroTransit Pilot Program				

Purpose: Use this form to spell out your request for additional personnel and/or programs. We will work with you to tally the requests and create a prioritized list.

REQUESTED PROGRAM ENHANCEMENT FUNDING			
Account Description	One-Time Cost (FY23 Only)	Ongoing Annual Cost (FY23 & Future)	TOTAL FY23 Request
Compensation			
81110 REGULAR PAY		\$183,720	\$183,720
			\$0
Benefits			
Benefits auto-calculated at 30% of compensation -->>	\$0	\$70,751	\$70,751
Expenses			
82300 NOTICES, SUBSCRIPTIONS, PUBLICITY		\$65,000	\$65,000
82560 CONSULTANT SERVICES		\$25,940	\$25,940
82610 VEHICLE REPAIR & MAINTENANCE SERVICES		\$11,000	\$11,000
83310 GASOLINE & DIESEL FOR FLEET (INSIDE WILLIAMSON COUN		\$36,000	\$36,000
82699 OTHER REPAIR & MAINTENANCE SERVICES		\$15,000	\$15,000
83260 UNIFORMS PURCHASED		\$3,000	\$3,000
85115 LIABILITY INSURANCE		\$24,000	\$24,000
85510 BANKING FEES		\$1,650	\$1,650
82510 COMPUTER SERVICES		\$40,000	\$40,000
84940 TRANSIT OPERATIONS		\$69,325	\$69,325
			\$0
			\$0
TOTAL	\$0	\$545,386	\$545,386

PURPOSE / DESCRIPTION OF REQUEST
The purpose of this service is to provide increased transit circulation in the Cool Springs corridor. The request is supported by a CMAQ grant to assist in the funding for the next three to five years. The service will supplement the existing fixed route service, but the service is zoned specifically to the Cool Springs corridor to facilitate quick trips with the intent of eliminating congestion during commute times as well as lunch time for employee's working in Cool Springs. The service is using smaller vans and is an app based on demand service.

SERVICE IMPLICATION
This service is the a pilot project creating quick and responsive circulation in the Cool Springs corridor for residents and employees. This service will be used by Franklin Transit current riders but Franklin Transit will be targeting new users in the Cool Springs corridor. The intent is to reduce congestion in the corridor by making it simple to catch a curb to curb ride and not have to depend on your motor vehicle.



File #: 21-02996

DATE: March 31, 2022
TO: Budget & Finance Committee
FROM: Kristine Brock, Asst. City Administrator/CFO
SUBJECT:

Budget Presentation - Cool Springs Conference Center

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the financial status and budget plans for the Cool Springs Conference Center for FY 2022-2023.

BACKGROUND/STAFF COMMENTS:

Each year, the Budget & Finance Committee reviews the detailed budget of each City Department. At the meetings in February, March, and April, departmental staff makes a presentation of the plans for the next budget cycle and the requested funding for those anticipated needs. This provides the Committee with an idea of the size and scope of budget requests that may be included in the City Administrator's proposed budget, which is typically delivered at the May committee meeting.

FINANCIAL IMPACT:

The financial impact varies by department, depending on the increase in population, the required services, equipment replacement needs, and program enhancements.

RECOMMENDATION:

Staff recommends review of the budget materials. No action is required.



City of Franklin, Tennessee
FY 2023 Operating Budget

Cool Springs Conference Center

Matthew Lahiff, General Manager
Franklin Marriott, Cool Springs



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Slide 2

Outline

- **Operational Summary**
- **Organization Structure/Relation to City**
- **Financial & Budget Overview**
- **Possible Challenges Post COVID**



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Slide 3

Operational Summary

- Connected to the Marriott Hotel
- Built in 1999; last major renovation August of 2015.
- 29,000 square feet of flexible meeting space including ballroom space for up to 1,100 guests.
- 297 guest rooms; 3 suites. The hotel will be adding 3 additional rooms sometime in calendar 2022 as the former concierge lounge is converted into guest rooms.

Organizational Structure / Relation to City

- Hotel is managed by Chartwell Hospitality.
- Management of the facility began in November, 2018.
- Conference Center and Hotel revenues are not shared.
- Most expenses are shared between the hotel and conference center.
 - Admin and General & Engineering: Split as a percentage of total revenue
 - Sales: 50-50 Split
 - Catering and Event Management: 100% conference center
 - Food and Beverage: most expenses split as a percentage of food revenue



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Slide 5

Operational Summary – Completed & Planned Renovation Projects for the Conference Center

Completed in fiscal 2022

- Salon 6 airwall refurbishment.
- Continued replacement of laundry equipment.
- Parking lot repairs / upgrades as outlined in Marriott's Property Improvement Plan (PIP).

- Planned for fiscal 2023:

- Additional PIP required items
 - Ceiling tile replacement throughout meeting space
 - LED lighting upgrades
 - 60" wall mounted TV and millwork upgrade in boardroom
 - Replacement of all electrical and jack covers.
 - Complete restroom renovation.

Operational Summary – Completed & Planned Renovation Projects for the Conference Center

Additional capital projects planned for fiscal 2023

- The following projects are slated to be completed in the fiscal year and the cost is to be shared with the Marriott.
 - Micros point of sale upgrade
 - Cooling tower fill and refurbishment
 - HVAC pump replacement – 2 per year for 5 years
 - Emergency generator radiator replacement
 - Exterior landscaping refresh
 - Walk in freezer / refrigerator refurbishment – 2 per year for 5 years
 - Four Winds reader board upgrade – current version will be at end of support at the end of calendar 2022.
 - Continued replacement of laundry equipment

Operational Summary – Completed Renovation Projects in the hotel to enhance the overall building

- Adding three guest rooms sometime in 2022 as the former concierge lounge is converted into guest rooms.
- Marriott's M-Club concept (formerly known as the concierge lounge) opened on the lobby level in November, 2021.
- Tub to shower conversion in 193 king rooms to be completed later this year.
- Lobby restroom renovation.
- Renovation of the fitness center including replacement of all fitness equipment.
- Renovation of the indoor pool.

Financial & Budget Overview:

3 Year Financial Summary – page 1 of 2

- **2020 / 2021 Actual:**
 - Revenue: \$1.99M
 - House Profit: -\$37K
 - NOI: -\$493K
- ❖ **Notes:**
 - the Conference Center was closed on 3/27/2020 due to the pandemic. It was reopened with COVID protocols in place in mid-June of 2020.



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Slide 9

Financial & Budget Overview:

3 Year Financial Summary – page 2 of 2

- **2021 / 2022 Actual / Forecast:**
 - Revenue: \$5.64M (+1.06M to budget)
 - House Profit: \$1.12M (+\$152K to budget)
 - NOI: \$644K (+\$392K to budget)
 - For the 2021 / 2022 fiscal year, the conference center received over \$179K in cancellation income directly affecting HP and NOI.
- **2022 / 2023 Budget:**
 - Revenue: \$7.83M (+\$2.11M year over year)
 - HP: \$1.45M (+\$262K year over year)
 - NOI: \$962K (+\$248K year over year)

City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Financial & Budget Overview:

Looking Ahead - Revenues

2022 / 2023 revenues are expected to return to 2018 / 2019 levels as the pandemic reduces. There is pent up demand from consumers in the group segment.

- **Revenue On the Books for 2022 / 2023**
 - Definite (contract has been signed): \$1.80M
 - Tentative (group has requested a contract): \$141K
 - Prospect (initial conversations have begun only) \$814K



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Slide 11

Items Impacting Current Fiscal Year Budget

Challenges In Fiscal 2023

- **Staffing:** finding and retaining quality staff has always been a challenge in Franklin and Williamson Co and this year will likely be more difficult. Chartwell as a company has the following initiative in place to attract and retain team members.
 - Building strong relationships with colleges and universities including Columbia State and Williamson County Career & Technical Education (CTE) that have a focus in the travel and tourism industry in order to attract new employees.
 - Several hiring and retention bonus plans in place for existing and new team members in order to attract this new talent.
 - Working to bring J-1 students to the US to work.
 - Brought back our Manager in Training program to groom hourly team members and junior managers into higher level roles.



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Challenges in fiscal 2023 (cont.)

- **Hybrid Meetings:** this unintended consequence of coming out of the pandemic has made people realize that meetings can be conducted from multiple locations.
- **New COVID Variants:** by “Living with COVID” there will always be the possibility that future variants of the virus will affect how people travel.
- **Inflation and the Supply Chain:** disruptions in the supply chain and inflation is a concern on our industry. This has led to increased costs of everything from food to fuel to labor. It is anticipated that these challenges will exist for quite some time which will have a direct impact on profitability.



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Challenges in fiscal 2023 (cont.)

- **Cancellation Fees:** cancellation fees collected in the last few years (**\$212K** in 19/20, **\$143K** in 20/21 and **\$179K** in 21/22) that have driven profit will likely decrease. The hotel will have to continue to be flexible and work with groups with multi-year contracts so future years are not jeopardized.
- **Increased Competition in Franklin and Nashville:** additional supply will continue to open bringing additional meeting space to the area.



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Revenue Generation and Profit Maximization

- **Returning to pre-COVID staffing:** as business continues to ramp up to pre-COVID demands, new hires are now in position to assist. Recent new hires in the sales office include a Sales Manager focused on associations for current and future years, an Event Manager to assist with planning details and a Sales Assistant to assist with administrative responsibilities. As business demands have increased with contracted business on the books in comparison to prior years, staffing will continue to be monitored and increased on demand while ensuring quality and financial controls.
- **Overtime:** due to staffing challenges, overtime is often unavoidable. It is monitored daily and schedules are adjusted when possible in order to minimize the impact.
- **Virtual Tour:** a virtual tour of the hotel and convention center is in place for virtual site visits. This was sponsored by the CVB and free of cost to the hotel and conference center.



City of Franklin, Tennessee - FY 2023 Budget Request

Cool Springs Conference Center

Revenue Generation and Profit Maximization

- **Chartwell Visibility:** Chartwell managed properties in Williamson Co. increase the ability to capture event attendance by utilizing Chartwell managed properties with overflow rooms at a competitive rate when the hotel is sold out.
- **Partnership with VisitFranklin:** the sales team continues to work with VisitFranklin to offer host incentive funds to better position the hotel and conference center to win business competing with other states or counties.
- **Industry Memberships:** the sales team holds active memberships in TN Meeting Professionals International and TN Society of Association Executives. These industry associated memberships are key resources for strengthening current meeting planner relationships and identifying new.
- **E-Commerce:** the team continues to market through social media posts.

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center													
For Property: Cool Springs Conference Center													
00- Master TT12													
As of 6/30/2023													
Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
SUMMARY													
Total Rooms Available	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Rooms Sold	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Occupancy %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Average Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
REVPAR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
REVENUES													
ROOMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FOOD	518,470.00	575,007.00	706,089.00	805,346.00	673,216.00	663,674.00	581,442.75	650,305.50	574,294.50	645,860.00	585,902.75	693,629.25	7,673,236.75
BEVERAGE	12,812.00	11,453.00	19,743.00	15,215.00	11,094.00	21,879.00	9,075.00	8,713.00	10,084.00	6,250.00	6,759.00	17,064.00	150,141.00
GUEST COMMUNICATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MISCELLANEOUS	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	250.00	250.00	250.00	250.00	250.00	250.00	9,000.00
TOTAL REVENUES	532,532.00	587,710.00	727,082.00	821,811.00	685,560.00	686,803.00	590,767.75	659,268.50	584,628.50	652,360.00	592,911.75	710,943.25	7,832,377.75
DEPARTMENT EXPENSES													
ROOMS EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FOOD EXPENSE	294,354.00	314,523.00	354,636.00	426,526.00	371,332.00	357,328.00	327,468.00	328,414.00	315,572.00	344,207.00	325,439.00	368,204.00	4,128,003.00
BEVERAGE EXPENSE	2,627.00	2,248.00	3,743.00	2,868.00	1,873.00	3,901.00	1,805.00	1,503.00	1,719.00	1,130.00	1,196.00	2,830.00	27,443.00
COMMUNICATIONS EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MISCELLANEOUS EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL DEPARTMENTAL EXPENSES	296,981.00	316,771.00	358,379.00	429,394.00	373,205.00	361,229.00	329,273.00	329,917.00	317,291.00	345,337.00	326,635.00	371,034.00	4,155,446.00
DEPARTMENTAL PROFIT													
ROOMS PROFIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COMMUNICATIONS PROFIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FOOD PROFIT	224,116.00	260,484.00	351,453.00	378,820.00	301,884.00	306,346.00	253,974.75	321,891.50	258,722.50	301,653.00	260,463.75	325,425.25	3,545,233.75
BEVERAGE PROFIT	10,185.00	9,205.00	16,000.00	12,347.00	9,221.00	17,978.00	7,270.00	7,210.00	8,365.00	5,120.00	5,563.00	14,234.00	122,698.00
MISCELLANEOUS PROFIT	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	250.00	250.00	250.00	250.00	250.00	250.00	9,000.00
TOTAL DEPARTMENTAL PROFIT	235,551.00	270,939.00	368,703.00	392,417.00	312,355.00	325,574.00	261,494.75	329,351.50	267,337.50	307,023.00	266,276.75	339,909.25	3,676,931.75
A & G EXPENSE	31,221.32	33,104.10	35,312.82	34,520.11	36,837.60	34,736.03	32,914.68	31,072.69	33,618.29	31,070.60	34,672.12	33,630.43	402,710.79
SALES & MARKETING EXPENSES	66,252.00	69,510.00	69,181.00	69,431.00	74,840.00	77,436.00	75,924.00	66,561.00	75,794.00	67,093.00	79,677.00	73,934.00	865,633.00
MAINTENANCE EXPENSES	19,723.00	19,303.00	19,103.00	18,173.00	21,226.00	19,601.00	20,457.00	17,851.00	21,885.00	18,743.00	19,923.00	19,043.00	235,031.00
FRANCHISE FEES	28,494.00	32,468.00	37,548.00	41,250.00	37,251.00	36,709.00	30,971.00	30,618.00	31,150.00	34,362.00	30,522.00	39,839.00	411,182.00
UTILITIES EXPENSE	26,494.00	25,836.00	25,003.00	25,969.00	27,775.00	32,680.00	28,511.00	28,204.00	23,376.00	25,222.00	20,792.00	25,333.00	315,195.00
UNDISTRIBUTED EXPENSES	172,184.32	180,221.10	186,147.82	189,343.11	197,929.60	201,162.03	188,777.68	174,306.69	185,823.29	176,490.60	185,586.12	191,779.43	2,229,751.79
HOUSE PROFIT	63,366.68	90,717.90	182,555.18	203,073.89	114,425.40	124,411.97	72,717.07	155,044.81	81,514.21	130,532.40	80,690.63	148,129.82	1,447,179.96
FIXED EXPENSES													
MANAGEMENT FEES	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	477,108.00
FIXED EXPENSES	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	7,704.00
NET OPERATING INCOME	22,965.68	50,316.90	142,154.18	162,672.89	74,024.40	84,010.97	32,316.07	114,643.81	41,113.21	90,131.40	40,289.63	107,728.82	962,367.96

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N.I. after Other	22,965.68	50,316.90	142,154.18	162,672.89	74,024.40	84,010.97	32,316.07	114,643.81	41,113.21	90,131.40	40,289.63	107,728.82	962,367.96
FF & E Reserve	26,626.60	29,385.50	36,354.10	41,090.55	34,278.00	34,340.15	29,525.89	32,950.93	29,218.93	32,605.50	29,633.09	35,534.66	391,543.90

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
ROOMS DEPARTMENT													
ROOMS REVENUE													
Total Transient Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Base Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Group Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Rooms Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ROOM STATISTICS													
Total Transient Stats	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Crew Stats	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Group Stats	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ROOM STATISTICS	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Room Stats													

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
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Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
ADR													
Rack/Premium ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corporate ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract - Airline ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Discount ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distressed Passengers ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AARP ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Government ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AAA ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Local Negotiated ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Packages ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wholesale/FIT ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Internet ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tax Exempt - Transient ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Transient ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Crew ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Group - SMERF ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Group - Corporate ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Group - Government ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Group - Tour ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Group- Association ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Group - Tax Exempt ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Group ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
Payroll & Related Expense													
Total P/R & R/Benefits- Rooms ROOMS DEPARTMENT OPERATING EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating - Rooms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenses- Rooms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Income- Rooms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
Food & Beverage Summary													
Total Food Sales	324,189.00	344,976.00	422,784.00	482,016.00	406,326.00	415,231.00	354,960.00	428,706.00	343,542.00	385,335.00	346,090.00	391,797.00	4,645,952.00
Total Beverage Sales	12,812.00	11,453.00	19,743.00	15,215.00	11,094.00	21,879.00	9,075.00	8,713.00	10,084.00	6,250.00	6,759.00	17,064.00	150,141.00
Total Banquet A/V	63,043.00	79,816.00	97,750.00	119,827.00	86,591.00	77,681.00	85,815.00	67,123.00	82,766.00	97,562.00	92,379.00	116,484.00	1,066,837.00
Total Banquet Misc	131,238.00	150,215.00	185,555.00	203,503.00	180,299.00	170,762.00	140,667.75	154,476.50	147,986.50	162,963.00	147,433.75	185,348.25	1,960,447.75
Total F & B Sales	531,282.00	586,460.00	725,832.00	820,561.00	684,310.00	685,553.00	590,517.75	659,018.50	584,378.50	652,110.00	592,661.75	710,693.25	7,823,377.75
Food Cost	73,604.00	71,979.00	67,146.00	101,236.00	91,792.00	80,547.00	74,354.00	66,691.00	74,699.00	82,134.00	73,499.00	84,373.00	942,054.00
Beverage Costs	2,627.00	2,248.00	3,743.00	2,868.00	1,873.00	3,901.00	1,805.00	1,503.00	1,719.00	1,130.00	1,196.00	2,830.00	27,443.00
Banquet A/V Costs	33,528.00	45,107.00	51,985.00	69,044.00	51,271.00	41,312.00	45,638.00	35,697.00	44,016.00	51,885.00	49,129.00	61,948.00	580,560.00
Total F & B Costs	109,759.00	119,334.00	122,874.00	173,148.00	144,936.00	125,760.00	121,797.00	103,891.00	120,434.00	135,149.00	123,824.00	149,151.00	1,550,057.00
Food Wages	142,457.00	153,249.00	180,257.00	200,606.00	174,110.00	176,261.00	154,746.00	176,292.00	152,575.00	163,567.00	154,669.00	171,875.00	2,000,664.00
Beverage Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total F & B Wages	142,457.00	153,249.00	180,257.00	200,606.00	174,110.00	176,261.00	154,746.00	176,292.00	152,575.00	163,567.00	154,669.00	171,875.00	2,000,664.00
F & B- P T & E B	25,235.00	23,544.00	29,796.00	28,505.00	29,081.00	32,596.00	26,808.00	25,115.00	23,449.00	24,037.00	27,355.00	25,820.00	321,341.00
TTL P/R and Benefits	167,692.00	176,793.00	210,053.00	229,111.00	203,191.00	208,857.00	181,554.00	201,407.00	176,024.00	187,604.00	182,024.00	197,695.00	2,322,005.00
Food Operating Expenses	19,530.00	20,644.00	25,452.00	27,135.00	25,078.00	26,612.00	25,922.00	24,619.00	20,833.00	22,584.00	20,787.00	24,188.00	283,384.00
Beverage Operating Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total F & B Operating Expenses	19,530.00	20,644.00	25,452.00	27,135.00	25,078.00	26,612.00	25,922.00	24,619.00	20,833.00	22,584.00	20,787.00	24,188.00	283,384.00
Net F & B Income	234,301.00	269,689.00	367,453.00	391,167.00	311,105.00	324,324.00	261,244.75	329,101.50	267,087.50	306,773.00	266,026.75	339,659.25	3,667,931.75

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center													
For Property: Cool Springs Conference Center													
00- Master TT12													
As of 6/30/2023													
Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
Food Department													
Total Restaurant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Bar Food	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Bistro	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Garden Grill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fox	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Food Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Room Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Banquet Breakfast	34,665.00	36,889.00	39,213.00	31,935.00	24,589.00	41,856.00	29,951.00	43,622.00	48,633.00	42,422.00	33,033.00	57,474.00	464,282.00
Banquet Lunch	106,434.00	70,676.00	149,634.00	154,393.00	81,270.00	54,311.00	108,063.00	105,019.00	80,269.00	130,680.00	106,190.00	98,652.00	1,245,591.00
Banquet Dinner	38,883.00	28,428.00	35,679.00	8,260.00	18,839.00	57,202.00	49,028.00	60,695.00	22,843.00	46,885.00	36,499.00	54,516.00	457,757.00
Banquet Reception	7,750.00	44,633.00	27,650.00	45,166.00	8,244.00	27,066.00	11,716.00	13,234.00	4,262.00	17,252.00	18,755.00	27,605.00	253,333.00
Banquet Breaks	51,075.00	60,252.00	96,430.00	130,429.00	124,929.00	44,139.00	81,704.00	74,315.00	77,336.00	68,406.00	80,960.00	76,786.00	966,761.00
Total Banquets	238,807.00	240,878.00	348,606.00	370,183.00	257,871.00	224,574.00	280,462.00	296,885.00	233,343.00	305,645.00	275,437.00	315,033.00	3,387,724.00
Catering Breakfast	6,000.00	12,736.00	3,010.00	4,412.00	6,366.00	6,747.00	4,240.00	2,559.00	17,189.00	2,122.00	2,879.00	5,177.00	73,437.00
Catering Lunch	21,699.00	31,831.00	28,727.00	49,166.00	45,923.00	31,288.00	26,235.00	40,730.00	45,963.00	18,231.00	11,302.00	31,246.00	382,341.00
Catering Dinner	31,691.00	32,830.00	17,968.00	38,768.00	56,490.00	115,685.00	15,084.00	61,480.00	27,553.00	31,118.00	32,089.00	11,116.00	471,872.00
Catering Reception	10,137.00	10,648.00	12,186.00	3,000.00	23,920.00	23,089.00	10,255.00	12,379.00	10,269.00	10,412.00	6,769.00	11,434.00	144,498.00
Catering Breaks	15,855.00	16,053.00	12,287.00	16,487.00	15,756.00	13,848.00	18,684.00	14,673.00	9,225.00	17,807.00	17,614.00	17,791.00	186,080.00
Total Catering	85,382.00	104,098.00	74,178.00	111,833.00	148,455.00	190,657.00	74,498.00	131,821.00	110,199.00	79,690.00	70,653.00	76,764.00	1,258,228.00
Net Food Revenue	324,189.00	344,976.00	422,784.00	482,016.00	406,326.00	415,231.00	354,960.00	428,706.00	343,542.00	385,335.00	346,090.00	391,797.00	4,645,952.00
Banquet Room Rental	13,755.00	14,039.00	25,392.00	21,584.00	23,821.00	14,553.00	10,446.00	6,792.00	12,194.00	20,514.00	19,032.00	6,888.00	189,010.00
Banquet A/V	47,289.00	62,205.00	75,096.00	94,000.00	61,945.00	57,053.00	68,260.00	54,034.00	68,247.00	82,447.00	77,938.00	77,584.00	826,098.00
Banquet Miscellaneous	882.00	5,712.00	3,655.00	2,517.00	1,800.00	4,274.00	2,885.00	7,786.00	3,796.00	6,235.00	2,431.00	7,622.00	49,595.00
Catering Room Rental	10,195.00	9,060.00	10,669.00	12,333.00	14,861.00	14,784.00	8,835.00	8,624.00	14,036.00	6,503.00	7,203.00	28,556.00	145,659.00
Catering A/V	15,754.00	17,611.00	22,654.00	25,827.00	24,646.00	20,628.00	17,555.00	13,089.00	14,519.00	15,115.00	14,441.00	38,900.00	240,739.00
Catering Miscellaneous	0.00	3,057.00	834.00	1,286.00	1,102.00	137.00	969.00	1,035.00	2,055.00	420.00	652.00	1,835.00	13,382.00
Service Charges- Banquets	76,072.00	81,300.00	115,880.00	121,589.00	86,365.00	77,358.00	91,314.50	91,372.00	80,373.00	102,971.25	94,483.75	103,369.75	1,122,448.25
Service Charges- Catering	29,084.00	35,797.00	27,875.00	42,944.00	51,100.00	58,406.00	25,968.25	38,617.50	35,282.50	26,069.75	23,382.00	36,827.50	431,353.50
Forfeiture Income- F & B	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	250.00	250.00	250.00	250.00	250.00	250.00	9,000.00
Total Other	194,281.00	230,031.00	283,305.00	323,330.00	266,890.00	248,443.00	226,482.75	221,599.50	230,752.50	260,525.00	239,812.75	301,832.25	3,027,284.75

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
Total Food Revenues	518,470.00	575,007.00	706,089.00	805,346.00	673,216.00	663,674.00	581,442.75	650,305.50	574,294.50	645,860.00	585,902.75	693,629.25	7,673,236.75

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center													
For Property: Cool Springs Conference Center													
00- Master TT12													
As of 6/30/2023													
Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
Cost of Goods Sold													
Cost of Sales - Food	73,604.00	71,979.00	67,146.00	101,236.00	91,792.00	80,547.00	74,354.00	66,691.00	74,699.00	82,134.00	73,499.00	84,373.00	942,054.00
Cost of Sales- Banquet A/V	33,528.00	45,107.00	51,985.00	69,044.00	51,271.00	41,312.00	45,638.00	35,697.00	44,016.00	51,885.00	49,129.00	61,948.00	580,560.00
Total Cost of Good Sold	107,132.00	117,086.00	119,131.00	170,280.00	143,063.00	121,859.00	119,992.00	102,388.00	118,715.00	134,019.00	122,628.00	146,321.00	1,522,614.00
Food Payroll													
Director of F & B	6,007.00	6,579.00	6,293.00	6,007.00	6,293.00	6,293.00	6,293.00	5,721.00	6,579.00	5,721.00	6,744.00	6,450.00	74,980.00
Executive Chef	4,978.00	5,452.00	5,215.00	4,978.00	5,215.00	5,215.00	5,215.00	4,741.00	5,452.00	4,741.00	5,589.00	5,346.00	62,137.00
Executive Sous Chef	3,353.00	3,672.00	3,512.00	3,353.00	3,512.00	3,512.00	3,512.00	3,193.00	3,672.00	3,193.00	3,764.00	3,600.00	41,848.00
Sous Chef	3,358.00	3,678.00	3,518.00	3,358.00	3,518.00	3,518.00	3,518.00	3,198.00	3,678.00	3,198.00	3,770.00	3,606.00	41,916.00
Cooks	22,775.00	24,343.00	30,209.00	34,674.00	28,968.00	29,639.00	25,095.00	30,655.00	24,235.00	27,385.00	24,427.00	27,873.00	330,278.00
Dishwasher	9,538.00	10,150.00	12,439.00	14,182.00	11,955.00	12,217.00	10,444.00	12,614.00	10,108.00	11,338.00	10,183.00	11,528.00	136,696.00
Banquet Manager	10,567.00	11,574.00	11,071.00	10,567.00	11,071.00	11,071.00	11,071.00	10,064.00	11,574.00	10,064.00	11,837.00	11,322.00	131,853.00
Banquet Captain	9,395.00	11,193.00	13,775.00	15,851.00	13,079.00	12,281.00	10,730.00	10,541.00	10,994.00	12,181.00	11,496.00	14,941.00	146,457.00
Banquet Server	47,625.00	50,153.00	61,803.00	70,672.00	59,339.00	60,672.00	51,647.00	62,689.00	49,938.00	56,196.00	50,319.00	57,163.00	678,216.00
Banquet Setup	24,861.00	26,455.00	32,422.00	36,964.00	31,160.00	31,843.00	27,221.00	32,876.00	26,345.00	29,550.00	26,540.00	30,046.00	356,283.00
Payroll Taxes	7,725.00	8,376.00	9,554.00	10,431.00	9,264.00	9,311.00	8,342.00	9,077.00	8,338.00	8,640.00	8,490.00	9,309.00	106,857.00
Employee Benefits	4,977.00	5,396.00	6,155.00	6,720.00	5,968.00	5,998.00	5,374.00	5,848.00	5,371.00	5,566.00	5,470.00	5,997.00	68,840.00
Vacation /PTO	6,340.00	6,875.00	7,842.00	8,561.00	7,604.00	7,642.00	6,847.00	7,450.00	6,843.00	7,091.00	6,968.00	7,640.00	87,703.00
Holiday	3,400.00	0.00	3,400.00	0.00	3,400.00	6,800.00	3,400.00	0.00	0.00	0.00	3,500.00	0.00	23,900.00
Bonus/Incentive Pay	2,793.00	2,897.00	2,845.00	2,793.00	2,845.00	2,845.00	2,845.00	2,740.00	2,897.00	2,740.00	2,927.00	2,874.00	34,041.00
Total Food Wages	167,692.00	176,793.00	210,053.00	229,111.00	203,191.00	208,857.00	181,554.00	201,407.00	176,024.00	187,604.00	182,024.00	197,695.00	2,322,005.00
Operating Expenses													
China	336.00	358.00	439.00	500.00	422.00	431.00	368.00	445.00	357.00	400.00	359.00	407.00	4,822.00
Glass	371.00	395.00	484.00	552.00	465.00	475.00	406.00	491.00	393.00	441.00	396.00	449.00	5,318.00
Silverware	331.00	352.00	432.00	492.00	415.00	424.00	326.00	438.00	351.00	393.00	353.00	400.00	4,707.00
Linens	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	24,000.00
Data Processing- F & B	1,345.00	1,345.00	1,345.00	1,345.00	1,345.00	1,345.00	1,345.00	1,345.00	1,345.00	1,345.00	1,345.00	1,345.00	16,140.00
Decorations	0.00	0.00	0.00	0.00	1,500.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	3,000.00
Contract Cleaning	308.00	308.00	1,463.00	314.00	314.00	1,471.00	5,114.00	314.00	503.00	314.00	314.00	1,503.00	12,240.00
Supplies- Other	2,366.00	2,547.00	3,227.00	3,745.00	3,084.00	3,161.00	2,635.00	3,279.00	2,535.00	2,900.00	2,557.00	2,957.00	34,993.00
Cleaning Supplies	460.00	494.00	623.00	721.00	596.00	611.00	511.00	633.00	492.00	561.00	496.00	572.00	6,770.00
Dishwasher Supplies	1,144.00	1,217.00	1,492.00	1,701.00	1,434.00	1,465.00	1,252.00	1,513.00	1,212.00	1,360.00	1,221.00	1,382.00	16,393.00
Supplies- Paper	3,252.00	3,461.00	4,241.00	4,836.00	4,076.00	4,166.00	3,561.00	4,301.00	3,446.00	3,866.00	3,472.00	3,930.00	46,608.00
Kitchen & Utensils Supplies	329.00	350.00	429.00	489.00	412.00	421.00	360.00	435.00	348.00	391.00	351.00	397.00	4,712.00
Uniforms	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
Equipment Rental	436.00	464.00	568.00	648.00	546.00	558.00	477.00	576.00	462.00	518.00	465.00	526.00	6,244.00
F & B- Ldy Allocation	5,029.00	5,352.00	6,559.00	7,477.00	6,303.00	6,441.00	5,506.00	6,650.00	5,329.00	5,978.00	5,369.00	6,078.00	72,071.00
Workers Comp Insurance- F & B	1,323.00	1,501.00	1,650.00	1,815.00	1,666.00	1,643.00	1,561.00	1,699.00	1,560.00	1,617.00	1,589.00	1,742.00	19,366.00
Total Operating Expense- Food	19,530.00	20,644.00	25,452.00	27,135.00	25,078.00	26,612.00	25,922.00	24,619.00	20,833.00	22,584.00	20,787.00	24,188.00	283,384.00
Total Food Costs	294,354.00	314,523.00	354,636.00	426,526.00	371,332.00	357,328.00	327,468.00	328,414.00	315,572.00	344,207.00	325,439.00	368,204.00	4,128,003.00
N.I.- Food Department	224,116.00	260,484.00	351,453.00	378,820.00	301,884.00	306,346.00	253,974.75	321,891.50	258,722.50	301,653.00	260,463.75	325,425.25	3,545,233.75

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
Beverage Department													
Total Restaurant Beverage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Garden Grill Beverage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fox Den Bar Beverage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Pool Bar Beverage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Wine Bar Beverage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Room Service Bev	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Bar Beverage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Banquet Liquor	1,658.00	3,638.00	5,007.00	1,165.00	1,000.00	7,823.00	979.00	4,151.00	4,717.00	1,077.00	2,771.00	8,991.00	42,977.00
Banquet Beer	1,375.00	965.00	6,313.00	1,040.00	854.00	2,446.00	1,469.00	1,642.00	1,447.00	977.00	1,519.00	2,405.00	22,452.00
Banquet Wine	3,598.00	1,046.00	4,133.00	778.00	1,657.00	1,834.00	3,642.00	1,984.00	1,544.00	1,225.00	1,238.00	2,578.00	25,257.00
Total Banquet Beverage	6,631.00	5,649.00	15,453.00	2,983.00	3,511.00	12,103.00	6,090.00	7,777.00	7,708.00	3,279.00	5,528.00	13,974.00	90,686.00
Catering Liquor	1,594.00	3,214.00	2,110.00	5,512.00	2,186.00	4,247.00	1,510.00	126.00	1,000.00	1,500.00	396.00	1,879.00	25,274.00
Catering Beer	1,851.00	553.00	803.00	1,659.00	1,397.00	2,000.00	1,128.00	600.00	554.00	478.00	127.00	292.00	11,442.00
Catering Wine	2,736.00	2,037.00	1,377.00	5,061.00	4,000.00	3,529.00	347.00	210.00	822.00	993.00	708.00	919.00	22,739.00
Total Catering Beverage	6,181.00	5,804.00	4,290.00	12,232.00	7,583.00	9,776.00	2,985.00	936.00	2,376.00	2,971.00	1,231.00	3,090.00	59,455.00
Total Beverage Revenue	12,812.00	11,453.00	19,743.00	15,215.00	11,094.00	21,879.00	9,075.00	8,713.00	10,084.00	6,250.00	6,759.00	17,064.00	150,141.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
Cost of Goods Sold													
Cost of Sales - Liquor	422.00	1,365.00	975.00	993.00	413.00	1,742.00	339.00	553.00	812.00	366.00	450.00	1,543.00	9,973.00
Cost of Sales - Beer	671.00	266.00	1,502.00	608.00	376.00	988.00	589.00	435.00	410.00	298.00	337.00	553.00	7,033.00
Cost of Sales - Wine	1,534.00	617.00	1,266.00	1,267.00	1,084.00	1,171.00	877.00	515.00	497.00	466.00	409.00	734.00	10,437.00
Total COGS- Beverage	2,627.00	2,248.00	3,743.00	2,868.00	1,873.00	3,901.00	1,805.00	1,503.00	1,719.00	1,130.00	1,196.00	2,830.00	27,443.00
Beverage Payroll													
Total Beverage Payroll	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses- Beverage													
Total Operating- Beverage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Beverage Costs	2,627.00	2,248.00	3,743.00	2,868.00	1,873.00	3,901.00	1,805.00	1,503.00	1,719.00	1,130.00	1,196.00	2,830.00	27,443.00
Net Income- Beverage	10,185.00	9,205.00	16,000.00	12,347.00	9,221.00	17,978.00	7,270.00	7,210.00	8,365.00	5,120.00	5,563.00	14,234.00	122,698.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
FOOD STATS													
Total Food Covers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
GUEST COMMUNICATIONS													
TELEPHONE REVENUES													
Total Phone Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COS- Communication													
Total COS- Comm	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Margin- Comm	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses													
Total Operating - Comm	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N.I.- Comm Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
MISCELLANEOUS DEPARTMENT													
MISCELLANEOUS REVENUES													
Late Cancellation Income	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	250.00	250.00	250.00	250.00	250.00	250.00	9,000.00
Total Miscellaneous Revenues	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	250.00	250.00	250.00	250.00	250.00	250.00	9,000.00
COSales- Miscellaneous													
Total COS- Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Miscellaneous Profit	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	250.00	250.00	250.00	250.00	250.00	250.00	9,000.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center													
For Property: Cool Springs Conference Center													
00- Master TT12													
As of 6/30/2023													
Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
ADMIN & GENERAL DEPARTMENT													
ADMIN & GENERAL													
P/R & Related Benefits- A&G													
General Manager	4,485.00	4,913.00	4,699.00	4,485.00	4,699.00	4,699.00	4,699.00	4,272.00	4,913.00	4,272.00	5,035.00	4,816.00	55,987.00
Controller	1,704.00	1,866.00	1,785.00	1,704.00	1,785.00	1,785.00	1,785.00	1,623.00	1,866.00	1,623.00	1,913.00	1,829.00	21,268.00
Accounting Clerk	1,660.00	1,818.00	1,739.00	1,660.00	1,739.00	1,739.00	1,739.00	1,581.00	1,818.00	1,581.00	1,838.00	1,758.00	20,670.00
Human Resources	2,266.00	2,481.00	2,373.00	2,266.00	2,373.00	2,373.00	2,373.00	2,158.00	2,481.00	2,158.00	2,543.00	2,433.00	28,278.00
Security	3,619.00	3,964.00	3,767.00	3,596.00	3,767.00	3,767.00	3,767.00	3,424.00	3,938.00	3,424.00	4,036.00	3,861.00	44,930.00
Payroll Taxes	971.00	1,064.00	1,016.00	970.00	1,016.00	1,016.00	1,016.00	924.00	1,063.00	924.00	1,089.00	1,042.00	12,111.00
Employee Benefits	1,151.00	1,261.00	1,205.00	1,150.00	1,205.00	1,205.00	1,205.00	1,095.00	1,260.00	1,095.00	1,291.00	1,235.00	14,358.00
Vacation /PTO	866.00	948.00	906.00	865.00	906.00	906.00	906.00	824.00	947.00	824.00	971.00	929.00	10,798.00
Holiday	552.00	0.00	552.00	0.00	552.00	1,104.00	552.00	0.00	0.00	0.00	566.00	0.00	3,878.00
Bonus/Incentive Pay	1,101.00	1,203.00	1,152.00	1,101.00	1,152.00	1,152.00	1,152.00	1,050.00	1,203.00	1,050.00	1,232.00	1,180.00	13,728.00
Total P/R & R/B- A&G	18,375.00	19,518.00	19,194.00	17,797.00	19,194.00	19,746.00	19,194.00	16,951.00	19,489.00	16,951.00	20,514.00	19,083.00	226,006.00
Operating Expenses- A&G													
Employee Relations	776.00	722.00	1,495.00	722.00	2,220.00	1,273.00	722.00	722.00	722.00	722.00	722.00	722.00	11,540.00
Accounting Fees	1,530.00	1,530.00	1,530.00	1,530.00	1,530.00	1,530.00	1,530.00	1,530.00	1,530.00	1,530.00	1,530.00	1,530.00	18,360.00
Data Processing	1,516.00	1,517.00	1,566.00	2,465.00	1,753.00	1,292.00	1,605.00	1,582.00	2,029.00	1,620.00	1,896.00	1,523.00	20,364.00
Office Supplies	210.00	246.00	293.00	336.00	289.00	283.00	241.00	260.00	256.00	282.00	255.00	310.00	3,261.00
Audit Fees	1,083.00	1,083.00	1,083.00	1,083.00	1,083.00	1,083.00	1,083.00	1,083.00	1,083.00	1,083.00	1,083.00	1,083.00	12,996.00
Muzak	23.00	23.00	43.00	23.00	23.00	43.00	23.00	23.00	43.00	23.00	23.00	43.00	356.00
Telephone	127.00	127.00	127.00	127.00	127.00	127.00	127.00	127.00	127.00	127.00	127.00	127.00	1,524.00
Licenses and Permits	87.00	293.00	87.00	87.00	1,390.00	87.00	117.00	87.00	87.00	87.00	350.00	119.00	2,878.00
Postage	38.00	46.00	56.00	54.00	56.00	56.00	47.00	47.00	48.00	54.00	46.00	64.00	612.00
Recruitment	116.00	116.00	116.00	116.00	116.00	116.00	116.00	116.00	116.00	116.00	116.00	116.00	1,392.00
Training	8.00	32.00	8.00	8.00	237.00	38.00	8.00	8.00	92.00	8.00	8.00	8.00	463.00
Armored Car	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	1,896.00
Security Service	0.00	0.00	0.00	0.00	0.00	230.00	230.00	0.00	0.00	0.00	0.00	0.00	460.00
Dues/Subscriptions	336.00	283.00	587.00	283.00	283.00	283.00	283.00	283.00	283.00	283.00	376.00	283.00	3,846.00
Professional Fees	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	660.00
Credit Card Commissions	5,325.32	5,877.10	7,270.82	8,218.11	6,855.60	6,868.03	5,907.68	6,592.69	5,846.29	6,523.60	5,929.12	7,109.43	78,323.79
Equipment Rental	782.00	782.00	782.00	782.00	782.00	782.00	782.00	782.00	782.00	782.00	782.00	782.00	9,384.00
Payroll Services	352.00	352.00	528.00	352.00	352.00	352.00	352.00	352.00	528.00	352.00	352.00	176.00	4,400.00
Bank Charges	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	936.00
Credit & Collection	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	456.00
Workers Comp Insurance	208.00	228.00	218.00	208.00	218.00	218.00	218.00	198.00	228.00	198.00	234.00	223.00	2,597.00
Total Operating- A&G	12,846.32	13,586.10	16,118.82	16,723.11	17,643.60	14,990.03	13,720.68	14,121.69	14,129.29	14,119.60	14,158.12	14,547.43	176,704.79
Total Expenses- A&G	31,221.32	33,104.10	35,312.82	34,520.11	36,837.60	34,736.03	32,914.68	31,072.69	33,618.29	31,070.60	34,672.12	33,630.43	402,710.79

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center													
For Property: Cool Springs Conference Center													
00- Master TT12													
As of 6/30/2023													
Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
SALES DEPARTMENT													
SALES													
P/R & R/B													
Director of Sales	5,260.00	5,761.00	5,510.00	5,260.00	5,510.00	5,510.00	5,510.00	5,009.00	5,761.00	5,009.00	5,905.00	5,648.00	65,653.00
Sales Manager	9,336.00	10,225.00	9,780.00	9,336.00	9,780.00	9,780.00	9,860.00	8,964.00	10,308.00	9,036.00	10,480.00	10,025.00	116,910.00
Revenue Management	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00	19,200.00
E Commerce Management	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
Executive Meeting Manager	7,268.00	7,960.00	7,614.00	7,268.00	7,614.00	7,614.00	7,614.00	6,922.00	7,960.00	6,922.00	8,159.00	7,804.00	90,719.00
Catering Coordinator	2,520.00	2,760.00	2,640.00	2,520.00	2,640.00	2,640.00	2,640.00	2,400.00	2,760.00	2,400.00	2,760.00	2,640.00	31,320.00
Convention Services	18,743.00	20,528.00	19,635.00	23,346.00	24,457.00	24,457.00	24,579.00	22,348.00	25,696.00	22,345.00	26,208.00	25,069.00	277,411.00
Sales Coordinator	1,227.00	1,343.00	1,285.00	1,227.00	1,285.00	1,285.00	1,317.00	1,197.00	1,377.00	1,197.00	1,377.00	1,317.00	15,434.00
Payroll Taxes	3,630.00	3,976.00	3,803.00	4,007.00	4,198.00	4,198.00	4,217.00	3,833.00	4,408.00	3,839.00	4,492.00	4,297.00	48,898.00
Employee Benefits	3,532.00	3,856.00	3,694.00	3,885.00	4,063.00	4,063.00	4,081.00	3,723.00	4,260.00	3,728.00	4,339.00	4,156.00	47,380.00
Vacation / PTO	1,838.00	2,013.00	1,925.00	1,838.00	1,925.00	1,925.00	1,927.00	1,752.00	2,015.00	1,752.00	2,063.00	1,974.00	22,947.00
Holiday	2,559.00	0.00	2,559.00	0.00	2,559.00	5,118.00	2,559.00	0.00	0.00	0.00	2,620.00	0.00	17,974.00
Bonus/Incentive Pay	4,757.00	5,205.00	4,981.00	5,125.00	5,367.00	5,367.00	5,439.00	4,954.00	5,682.00	4,965.00	5,797.00	5,550.00	63,189.00
Total P/R & R/B- Sales	62,470.00	65,427.00	65,226.00	65,612.00	71,198.00	73,757.00	71,543.00	62,902.00	72,027.00	62,993.00	76,000.00	70,280.00	819,435.00
Operating Expenses- Sales													
Office Supplies	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	3,600.00
Travel & Lodging	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Meals & Entertainment	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Promotions	775.00	775.00	775.00	775.00	775.00	775.00	775.00	775.00	775.00	775.00	775.00	775.00	9,300.00
Sales Training	279.00	89.00	72.00	72.00	72.00	109.00	89.00	72.00	72.00	72.00	72.00	72.00	1,142.00
Dues & Subscriptions	1,030.00	1,480.00	1,390.00	1,030.00	1,030.00	1,030.00	1,750.00	1,090.00	1,130.00	1,530.00	1,030.00	1,030.00	14,550.00
Trade Show	0.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	200.00
Brand Paid Search	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	9,000.00
Internet Advertising	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	120.00
Magazine Advertising	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	516.00
Workers Comp- Sales	445.00	486.00	465.00	489.00	512.00	512.00	514.00	469.00	537.00	470.00	547.00	524.00	5,970.00
Total Operating- Sales	3,782.00	4,083.00	3,955.00	3,819.00	3,642.00	3,679.00	4,381.00	3,659.00	3,767.00	4,100.00	3,677.00	3,654.00	46,198.00
Total Expenses-Sales	66,252.00	69,510.00	69,181.00	69,431.00	74,840.00	77,436.00	75,924.00	66,561.00	75,794.00	67,093.00	79,677.00	73,934.00	865,633.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
MAINTENANCE DEPARTMENT													
REPAIRS & MAINTENANCE													
P/R & Related Expenses- Maintenance													
Chief Engineer	2,382.00	2,609.00	2,496.00	2,382.00	2,496.00	2,496.00	2,496.00	2,269.00	2,609.00	2,269.00	2,674.00	2,558.00	29,736.00
Asst Engineer	2,209.00	2,419.00	2,314.00	2,209.00	2,314.00	2,314.00	2,314.00	2,103.00	2,419.00	2,103.00	2,457.00	2,350.00	27,525.00
General Maintenance	4,381.00	4,799.00	4,590.00	4,381.00	4,590.00	4,590.00	4,590.00	4,173.00	4,799.00	4,173.00	4,919.00	4,705.00	54,690.00
Payroll Taxes	712.00	780.00	746.00	712.00	746.00	746.00	746.00	678.00	780.00	678.00	799.00	764.00	8,887.00
Employee Benefits	610.00	668.00	639.00	610.00	639.00	639.00	639.00	581.00	668.00	581.00	685.00	655.00	7,614.00
Holiday	330.00	0.00	330.00	0.00	330.00	660.00	330.00	0.00	0.00	0.00	338.00	0.00	2,318.00
Vacation /PTO	809.00	886.00	847.00	809.00	847.00	847.00	847.00	770.00	886.00	770.00	908.00	869.00	10,095.00
Bonus/Incentive Pay	393.00	416.00	405.00	393.00	405.00	405.00	405.00	382.00	416.00	382.00	422.00	411.00	4,835.00
Total P/R & Related Expenses- Maintenance	11,826.00	12,577.00	12,367.00	11,496.00	12,367.00	12,697.00	12,367.00	10,956.00	12,577.00	10,956.00	13,202.00	12,312.00	145,700.00
Operating Expenses- R & M													
Laundry Equipment	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	3,240.00
Building Maintenance	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	4,068.00
Office Equipment	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	132.00
Light Bulbs	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	2,292.00
Electrical & Mechanical	254.00	254.00	254.00	254.00	254.00	254.00	254.00	254.00	254.00	254.00	254.00	254.00	3,048.00
HVAC	955.00	955.00	955.00	955.00	955.00	955.00	955.00	955.00	955.00	955.00	955.00	955.00	11,460.00
Plumbing & Boiler	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	4,068.00
Pool	136.00	136.00	136.00	136.00	136.00	136.00	136.00	136.00	136.00	136.00	136.00	136.00	1,632.00
Grounds & Landscaping	1,202.00	1,202.00	1,202.00	1,171.00	1,294.00	1,370.00	1,370.00	1,370.00	1,141.00	1,661.00	1,202.00	1,202.00	15,387.00
Interior Plants	135.00	135.00	135.00	135.00	135.00	135.00	135.00	135.00	135.00	135.00	135.00	135.00	1,620.00
Signage	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	408.00
Furniture & Fixtures	271.00	271.00	271.00	271.00	271.00	271.00	271.00	271.00	271.00	271.00	271.00	271.00	3,252.00
Painting	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	1,080.00
Carpet & Floor	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	540.00
Telephone	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Kitchen Equipment	407.00	407.00	407.00	407.00	407.00	407.00	407.00	407.00	407.00	407.00	407.00	407.00	4,884.00
Locks & Keys	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	1,020.00
Radio & TV	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	408.00
Exterminating	487.00	487.00	487.00	487.00	487.00	487.00	487.00	487.00	487.00	487.00	487.00	487.00	5,844.00
License & Permits	9.00	9.00	9.00	9.00	9.00	9.00	24.00	47.00	79.00	9.00	9.00	9.00	231.00
Maintenance Contracts	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	2,648.00	84.00	84.00	84.00	3,572.00
Uniforms- R & M	73.00	73.00	92.00	73.00	73.00	92.00	73.00	73.00	92.00	73.00	73.00	92.00	952.00
Storage	373.00	373.00	373.00	373.00	373.00	373.00	373.00	373.00	373.00	373.00	373.00	373.00	4,476.00
Fire & Safety	575.00	55.00	55.00	55.00	912.00	55.00	575.00	55.00	55.00	300.00	55.00	55.00	2,802.00
Elevator	1,205.00	536.00	536.00	536.00	1,729.00	536.00	1,216.00	536.00	536.00	930.00	536.00	536.00	9,368.00
Workers Comp- R & M	193.00	211.00	202.00	193.00	202.00	202.00	192.00	174.00	201.00	174.00	206.00	197.00	2,347.00
Total Operating - R & M	7,897.00	6,726.00	6,736.00	6,677.00	8,859.00	6,904.00	8,090.00	6,895.00	9,308.00	7,787.00	6,721.00	6,731.00	89,331.00
Total Expenses- R & M	19,723.00	19,303.00	19,103.00	18,173.00	21,226.00	19,601.00	20,457.00	17,851.00	21,885.00	18,743.00	19,923.00	19,043.00	235,031.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
UTILITIES DEPARTMENT													
UTILITIES EXPENSE													
Electricity	14,554.00	14,874.00	14,731.00	14,095.00	13,346.00	17,701.00	13,869.00	12,679.00	13,034.00	12,023.00	14,315.00	15,013.00	170,234.00
Gas	1,736.00	1,760.00	1,605.00	3,161.00	7,197.00	8,234.00	8,837.00	7,935.00	4,098.00	4,824.00	1,302.00	1,255.00	51,944.00
Water & Sewer	8,682.00	7,833.00	7,417.00	7,609.00	6,118.00	5,413.00	4,836.00	6,208.00	5,603.00	7,610.00	4,247.00	8,022.00	79,598.00
Waste Removal	1,522.00	1,369.00	1,250.00	1,104.00	1,114.00	1,332.00	969.00	1,382.00	641.00	765.00	928.00	1,043.00	13,419.00
Total Expenses- Utilities	26,494.00	25,836.00	25,003.00	25,969.00	27,775.00	32,680.00	28,511.00	28,204.00	23,376.00	25,222.00	20,792.00	25,333.00	315,195.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
FRANCHISE DEPARTMENT													
FRANCHISE FEES													
Franchise Fees/ Royalties	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	75,000.00
Advertising	3,462.00	4,235.00	5,121.00	4,980.00	5,141.00	5,185.00	4,349.00	4,287.00	4,381.00	4,946.00	4,270.00	5,909.00	56,266.00
Frequent Traveler	15,061.00	17,628.00	20,991.00	24,073.00	20,737.00	20,267.00	16,336.00	16,103.00	16,454.00	18,577.00	16,039.00	22,196.00	224,462.00
Other Franchise Cost	3,721.00	4,355.00	5,186.00	5,947.00	5,123.00	5,007.00	4,036.00	3,978.00	4,065.00	4,589.00	3,963.00	5,484.00	55,454.00
Total Franchise Fees Expense	28,494.00	32,468.00	37,548.00	41,250.00	37,251.00	36,709.00	30,971.00	30,618.00	31,150.00	34,362.00	30,522.00	39,839.00	411,182.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
MANAGEMENT FEES													
Management Fees	19,736.00	19,736.00	19,736.00	19,736.00	19,736.00	19,736.00	19,736.00	19,736.00	19,736.00	19,736.00	19,736.00	19,736.00	236,832.00
Management Fees- Owner	20,023.00	20,023.00	20,023.00	20,023.00	20,023.00	20,023.00	20,023.00	20,023.00	20,023.00	20,023.00	20,023.00	20,023.00	240,276.00
Total Management Fees Expense	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	39,759.00	477,108.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
FIXED EXPENSES													
Personal Property Tax	292.00	292.00	292.00	292.00	292.00	292.00	292.00	292.00	292.00	292.00	292.00	292.00	3,504.00
Insurance	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	4,200.00
TOTAL FIXED EXPENSES	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	7,704.00

Company: Carothers Hotel Ptrs dba Cool Springs Conference Property: Cool Springs Conference Center
For Property: Cool Springs Conference Center
00- Master TT12
As of 6/30/2023

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
TOTAL OTHER													
Total Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Description	Jul 2022 (Budget)	Aug 2022 (Budget)	Sep 2022 (Budget)	Oct 2022 (Budget)	Nov 2022 (Budget)	Dec 2022 (Budget)	Jan 2023 (Budget)	Feb 2023 (Budget)	Mar 2023 (Budget)	Apr 2023 (Budget)	May 2023 (Budget)	Jun 2023 (Budget)	Total (Mixed)
House Laundry Dept													
Total P/R & Benefits- Ldy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses													
Total Operating Expenses- Ldy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Laundry Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Allocation													
Total Allocation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Lndry Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Description	21/22	22/23	Variance	% Diff	Comments
<u>SUMMARY</u>					
REVENUES					
FOOD	5,504,561	7,673,237	2,168,676	39.4%	
BEVERAGE	95,653	150,141	54,488	57.0%	
MISCELLANEOUS	118,012	9,000	-109,012	-92.4%	
TOTAL REVENUES	5,718,227	7,832,378	2,114,151	37.0%	
DEPARTMENT EXPENSES					
FOOD EXPENSE	2,792,446	4,128,003	1,335,557	47.8%	
BEVERAGE EXPENSE	16,879	27,443	10,564	62.6%	
TOTAL DEPARTMENTAL EXPENSES	2,809,325	4,155,446	1,346,121	47.9%	
DEPARTMENTAL PROFIT					
FOOD PROFIT	2,712,115	3,545,234	833,119	30.7%	
BEVERAGE PROFIT	78,774	122,698	43,924	55.8%	
MISCELLANEOUS PROFIT	118,012	9,000	-109,012	-92.4%	
TOTAL DEPARTMENTAL PROFIT	2,908,902	3,676,932	768,030	26.4%	
A & G EXPENSE	316,770	402,711	85,941	27.1%	
SALES & MARKETING EXPENSES	584,878	865,633	280,755	48.0%	
MAINTENANCE EXPENSES	188,346	235,031	46,685	24.8%	
FRANCHISE FEES	345,533	411,182	65,649	19.0%	
UTILITIES EXPENSE	288,155	315,195	27,040	9.4%	
UNDISTRIBUTED EXPENSES	1,723,682	2,229,752	506,070	29.4%	
HOUSE PROFIT	1,185,220	1,447,180	261,960	22.1%	
FIXED EXPENSES					
MANAGEMENT FEES	463,211	477,108	13,897	3.0%	
FIXED EXPENSES	7,704	7,704	0	0.0%	
NET OPERATING INCOME	714,305	962,368	248,063	34.7%	
N.I. after Other	714,305	962,368	248,063	34.7%	
Profit Percentage	12.49%	12.29%			
FF & E Reserve	286,184	391,544	105,360	36.8%	

Description	21/22	22/23	Variance	% Diff	Comments
Food & Beverage					
Summary					
Total Food Sales	2,949,354	4,645,952	1,696,598	57.5%	
Total Beverage Sales	95,653	150,141	54,488	57.0%	
Total Banquet A/V	980,825	1,066,837	86,012	8.8%	
Total Banquet Misc	1,574,382	1,960,448	386,066	24.5%	
Total F & B Sales	5,600,214	7,823,378	2,223,163	39.7%	
Food Cost	602,801	942,054	339,253	56.3%	
Beverage Costs	16,879	27,443	10,564	62.6%	
Banquet A/V Costs	521,595	580,560	58,965	11.3%	
Total F & B Costs	1,141,275	1,550,057	408,782	35.8%	
Food Wages	1,246,556	2,000,664	754,108	60.5%	
Beverage Wages	0	0	0		
Total F & B Wages	1,246,556	2,000,664	754,108	60.5%	
F & B- P T & E B	237,425	321,341	83,916	35.3%	
TTL P/R and Benefits	1,483,981	2,322,005	838,024	56.5%	
Food Operating Expenses	184,069	283,384	99,315	54.0%	
Beverage Operating Expenses	0	0	0	0.0%	
Total F & B Operating Expenses	184,069	283,384	99,315	54.0%	
Net F & B Income	2,790,889	3,667,932	877,043	31.4%	
Profit Percentage	49.84%	46.88%			

Description	21/22	22/23	Variance	% Diff	Comments
Food Department					
Banquet Breakfast	403,331	464,282	60,951	15.1%	
Banquet Lunch	872,472	1,245,591	373,119	42.8%	
Banquet Dinner	252,350	457,757	205,407	81.4%	
Banquet Reception	240,546	253,333	12,787	5.3%	
Banquet Breaks	663,540	966,761	303,221	45.7%	
Total Banquets	2,432,239	3,387,724	955,485	39.3%	
Catering Breakfast	25,621	73,437	47,816	186.6%	
Catering Lunch	182,387	382,341	199,954	109.6%	
Catering Dinner	171,419	471,872	300,454	175.3%	
Catering Reception	34,725	144,498	109,774	316.1%	
Catering Breaks	102,963	186,080	83,117	80.7%	
Total Catering	517,114	1,258,228	741,114	143.3%	Total catering revenue should increase dramatically when a second catering manager is added and can actively sell. An additional EM will also lead to the DOC being able to focus on local catering vs. detailing group.
Net Food Revenue	2,949,354	4,645,952	1,696,598	57.5%	
Banquet Room Rental	204,608	189,010	-15,598	-7.6%	Banquet room rental should decline based on the growth of food and beverage revenue.
Banquet A/V	815,718	826,098	10,380	1.3%	
Banquet Miscellaneous	49,476	49,595	119	0.2%	
Catering Room Rental	123,434	145,659	22,225	18.0%	
Catering A/V	165,108	240,739	75,631	45.8%	
Catering Miscellaneous	9,706	13,382	3,676	37.9%	
Service Charges- Banquets	903,098	1,122,448	219,350	24.3%	
Service Charges- Catering	208,892	431,354	222,461	106.5%	
Forfeiture Income- F & B	75,167	9,000	-66,167	-88.0%	Forefeiture should decrease as we come out of the pandemic
Total Other	2,555,208	3,027,285	472,077	18.5%	
Total Food Revenues	5,504,561	7,673,237	2,168,676	39.4%	

Description	21/22	22/23	Variance	% Diff	Comments
Cost of Goods Sold					
Cost of Sales - Food	602,801	942,054	339,253	56.3%	
Food Cost Percentage	20.44%	20.28%	-0.16%		
Cost of Sales- Banquet A/V	521,595	580,560	58,965	11.3%	
AV Cost Percentage	53.18%	54.42%			
Total Cost of Good Sold	1,124,396	1,522,614	398,218	35.4%	
Food Payroll					
					all MGMT positions assume 3% increase in May 22 and 2.5% increase in May of 23
Director of F & B	71,613	74,980	3,367	4.7%	salary less 7.7% vacation; 80/20 split
Executive Chef	61,202	62,137	935	1.5%	salary less 5.8% vacation; flat 77/23 split
Executive Sous Chef	39,168	41,848	2,680	6.8%	salary less 7.7% vacation; flat 77/23 split
Sous Chef	4,815	41,916	37,101	770.5%	added position; \$54K with 2.5% increase in May 23; 77/23 split
Cooks	128,178	330,278	202,100	157.7%	
Total Cooks Incl. Contract	176,425	330,278	153,853	87.2%	
Dishwasher	342	136,696	136,354	39853.2%	
Total Dishwasher Incl Contract	75,560	136,696	61,136	80.9%	
Banquet Manager	69,931	131,853	61,922	88.5%	added Asst Banq MGR; increase in Banq MGR salary to current comp set
Banquet Captain	133,287	146,457	13,170	9.9%	
Banquet Server	183,274	678,216	494,942	270.1%	
Total Banq Server Incl Contract	405,549	678,216	272,667	67.2%	JRI Increased pay rate to \$24 per hour effective 1/1/22. Assumed 3% increase for our staff in May 22 and 2.5% increase in May 23
Banquet Setup	117,238	356,283	239,045	203.9%	
Total Banq Setup Incl Contract	209,006	356,283	147,277	70.5%	
Contract Labor- Cooks	48,247	0	-48,247	-100.0%	
Contract Labor- Dishwasher	75,217	0	-75,217	-100.0%	
Contract Labor- Banquet Server	222,275	0	-222,275	-100.0%	
Contract Labor- Banquet Setup	91,768	0	-91,768	-100.0%	
Payroll Taxes	76,119	106,857	30,738	40.4%	10.20% of food payroll
Employee Benefits	49,045	68,840	19,795	40.4%	6.59% of food payroll
Vacation /PTO	62,479	87,703	25,224	40.4%	8.40% of food payroll
Holiday	20,933	23,900	2,967	14.2%	7 holidays
Bonus/Incentive Pay	28,849	34,041	5,192	18.0%	50% of max bonus potential for F&B and Chef. \$1,694 monthly for attendance bonus.
Total Food Wages	1,483,981	2,322,005	838,024	56.5%	
Operating Expenses					
China	2,744	4,822	2,078	75.7%	
Glass	3,322	5,318	1,996	60.1%	
Silverware	3,027	4,707	1,680	55.5%	Several months in 21/22 with no CGS purchases due to lack of revenue.
Linens	5,451	24,000	18,549	340.3%	
Data Processing- F & B	18,130	16,140	-1,990	-11.0%	\$1,345 monthly. Oracle and Four Winds support.
Decorations	2,398	3,000	602	25.1%	CC was not fully decorated for Christmas in 2021
Contract Cleaning	10,362	12,240	1,878	18.1%	Weekly Cintas service, quarterly hood cleaning and carpet cleaning in Jan. Increased usage of Cintas with increased revenue.
Supplies- Other	25,323	34,993	9,670	38.2%	.75% of food revenue
Cleaning Supplies	5,002	6,770	1,768	35.3%	.15% of food revenue
Dishwasher Supplies	9,252	16,393	7,141	77.2%	.35% of food revenue
Supplies- Paper	24,277	46,608	22,331	92.0%	1.0% of food revenue. Paper supplies will likely continue to rise into the next fiscal year.
Kitchen & Utensils Supplies	2,848	4,712	1,864	65.5%	Several months in 21/22 with no purchases due to lack of revenue. .10% of food revenue.
Uniforms	3,206	6,000	2,794	87.1%	\$200 monthly
Equipment Rental	3,918	6,244	2,326	59.4%	Lack of CGS purchases in 21/22 will lead to renting up supplies in 22/23
F & B- Ldy Allocation	50,587	72,071	21,484	42.5%	1.55% of food revenue
Licenses & Permits	0	0	0	0.0%	
Workers Comp Insurance- F & B	14,222	19,366	5,144	36.2%	
Total Operating Expense- Food	184,069	283,384	99,315	54.0%	
Total Food Costs	2,792,446	4,128,003	1,335,557	47.8%	
N.I.- Food Department	2,712,115	3,545,234	833,119	30.7%	
Food Profit	49.27%	46.20%			

Description		21/22	22/23	Variance	% Diff	Comments
Beverage Department						
Banquet Liquor		39,476	42,977	3,501	8.9%	
Banquet Beer		16,964	22,452	5,488	32.4%	
Banquet Wine		19,814	25,257	5,443	27.5%	
Total Banquet Beverage		76,254	90,686	14,432	18.9%	
Catering Liquor		8,166	25,274	17,108	209.5%	
Catering Beer		2,109	11,442	9,333	442.5%	
Catering Wine		9,124	22,739	13,615	149.2%	
Total Catering Beverage		19,399	59,455	40,056	206.5%	
Total Beverage Revenue		95,653	150,141	54,488	57.0%	
Cost of Goods Sold						
Cost of Sales - Liquor		6,755	9,973	3,218	47.6%	
Cost of Sales - Beer		3,997	7,033	3,036	76.0%	
Cost of Sales - Wine		6,127	10,437	4,310	70.3%	
Total COGS- Beverage		16,879	27,443	10,564	62.6%	
Total COGS Beverage		17.65%	18.28%	19.39%		
Operating Expenses- Beverage						
Licenses & Permits		0	0	0	0.0%	
Total Operating- Beverage		0	0	0	0.0%	
Total Beverage Costs		16,879	27,443	10,564	62.6%	
Net Income- Beverage		78,774	122,698	43,924	55.8%	
Beverage Profit		82.35%	81.72%			

Description	21/22	22/23	Variance	% Diff	Comments
FOOD STATS					
Total Food Covers	124,501	0	-124,501	-100.0%	
 MISCELLANEOUS DEPARTMENT					
MISCELLANEOUS REVENUES					
Forfeiture Income	-437	0	437	-100.0%	
Late Cancellation Income	118,450	9,000	-109,450	-92.4%	We do not anticipate cancellation fees will continue at a high rate this year.
Total Miscellaneous Revenues	118,012	9,000	-109,012	-92.4%	
Total Miscellaneous Profit	118,012	9,000	-109,012	-92.4%	

Cool Springs Conference Center

Description	21/22	22/23	Variance	% Diff	Comments
ADMIN & GENERAL DEPARTMENT					
ADMIN & GENERAL					
P/R & Related Benefits- A&G					
General Manager	53,592	55,987	2,395	4.5%	current salary with 3% increase in May 22 and 2.5% increase in May 23 less 3.8% vacation
Controller	20,275	21,268	993	4.9%	current salary with 3% increase in May 22 and 2.5% increase in May 23 less 3.8% vacation
Accounting Clerk	9,224	20,670	11,447	124.1%	1 FTE @\$16.48 per hour with 2.5% increase in May 23
Human Resources	25,742	28,278	2,536	9.9%	current salary with 3% increase in May 22 and 2.5% increase in May 23 less 5.8% vacation
Security	5,830	44,930	39,100	670.6%	Two FTE @ \$18.16 per hour
Payroll Taxes	10,107	12,111	2,004	19.8%	7.08% of A&G wages
Employee Benefits	11,982	14,358	2,376	19.8%	8.39% of A&G wages
Vacation /PTO	9,007	10,798	1,791	19.9%	6.31% of A&G wages
Holiday	3,793	3,878	85	2.2%	
Bonus/Incentive Pay	11,198	13,728	2,530	22.6%	bonus.
Total P/R & R/B- A&G					
	160,752	226,006	65,254	40.6%	
Operating Expenses- A&G					
Employee Relations	11,295	11,540	245	2.2%	see expense planner
Accounting Fees	19,447	18,360	-1,087	-5.6%	\$1530 monthly
Data Processing	19,700	20,364	664	3.4%	see expense planner
Office Supplies	2,541	3,261	720	28.3%	0.07% of food revenue
Audit Fees	12,541	12,996	455	3.6%	Annual CC audit. It will be spread as a prepaid this year.
Muzak	387	356	-31	-8.1%	see expense planner
Travel & Lodging	202	600	398	197.3%	\$50 monthly
Meals and Entertainment	210	0	-210	-100.0%	
Telephone	1,646	1,524	-122	-7.4%	\$127 monthly
Licenses and Permits	2,729	2,878	149	5.4%	see expense planner
Postage	517	612	95	18.5%	0.01% of food revenue
Recruitment	1,333	1,392	59	4.4%	Hospitality online and misc. recruiting expenses. \$116 per month.
Employment Screening/ Drug Testing	161	0	-161	-100.0%	
Training	638	463	-175	-27.4%	see expense planner
Armored Car	1,719	1,896	177	10.3%	Brinks drop box
Loss & Damage	73	0	-73	-100.0%	
Security Service	335	460	125	37.3%	NYE / NYD security
Dues/Subscriptions	4,062	3,846	-216	-5.3%	see expense planner
Professional Fees	716	660	-56	-7.8%	\$55 per month
Credit Card Commissions	57,183	78,324	21,141	37.0%	1% total revenue
Cash Over/Short	-21	0	21	-100.0%	
Equipment Rental	9,508	9,384	-124	-1.3%	RJ Young
Payroll Services	4,831	4,400	-431	-8.9%	see expense planner
Chargebacks	484	0	-484	-100.0%	
Bank Charges	1,124	936	-188	-16.7%	see expense planner
Credit & Collection	494	456	-38	-7.7%	see expense planner
Workers Comp Insurance	2,162	2,597	435	20.1%	
Total Operating- A&G					
	156,017	176,705	20,687	13.3%	
Total Expenses- A&G					
	316,770	402,711	85,941	27.1%	

Description	21/22	22/23	Variance	% Diff	Comments
SALES DEPARTMENT					
SALES					
P/R & R/B					
Director of Sales	60,919	65,653	4,734	7.8%	current salary with 3% increase in May 22 and 2.5% increase in May 23 less 7.7% vacation
Sales Manager	66,473	116,910	50,437	75.9%	July.
Revenue Management	15,198	19,200	4,002	26.3%	\$1,600 monthly. Revenue MGMT fee increased in Jan 2022
E Commerce Management	1,400	2,400	1,000	71.4%	\$200 monthly. Ecommerce fee increased in Jan 2022.
Executive Meeting Manager	89,357	90,719	1,362	1.5%	vacation
Catering Coordinator	8,192	31,320	23,128	282.3%	1 Catering Coordinator added in July.
Convention Services					
	151,777	277,411	125,634	82.8%	3 FTE. Two salary less 7.7% of vacation. 1 salary with no vacation.Second catering manager added in July. Third Event Manager added in Jan.
Sales Coordinator					
	5,994	15,434	9,441	157.5%	Position added in Jan 22.
Payroll Taxes	32,682	48,898	16,216	49.6%	7.9% of sales payroll
Employee Benefits	30,563	47,380	16,817	55.0%	7.65% of sales payroll
Vacation / PTO	43,040	22,747	-20,293	-47.1%	3.67% of sales payroll
Holiday	8,844	17,974	9,130	103.2%	Increase due to increased staffing.
Bonus/Incentive Pay	29,127	63,189	34,062	116.9%	10.21% of sales payroll
Total P/R & R/B- Sales	543,565	819,435	275,870	50.8%	
Operating Expenses- Sales					
Office Supplies	3,075	3,600	525	17.1%	\$300 per month
Travel & Lodging	74	600	526	710.8%	\$50 per month
Meals & Entertainment	282	1,200	918	325.8%	\$100 per month
Promotions	7,008	9,300	2,292	32.7%	\$775 per month
Sales Training	828	1,142	314	37.8%	see expense planner
Dues & Subscriptions	14,972	14,550	-422	-2.8%	see expense planner
Trade Show	200	200	0	0.1%	Williamson CVB in Oct.
e Commerce Costs	25	0	-25	-100.0%	
Brand Paid Search	9,672	9,000	-672	-6.9%	\$750 per month
Internet Advertising	563	120	-443	-78.7%	see expense planner
Magazine Advertising	509	516	7	1.4%	Chartwell visitors guide
Newspaper Advertising	255	0	-255	-100.0%	
Workers Comp- Sales	3,851	5,970	2,119	55.0%	
Total Operating- Sales	41,313	46,198	4,885	11.8%	
Total Expenses-Sales	584,878	865,633	280,755	48.0%	

Description	21/22	22/23	Variance	% Diff	Comments
MAINTENANCE DEPARTMENT					
REPAIRS & MAINTENANCE					
P/R & Related Expenses- Maintenance					
Chief Engineer	28,714	29,736	1,022	3.6%	Current salary with 3% increase in May 22 and 2.5% increase in May 23 less 7.7% vacation
Asst Engineer	17,094	27,525	10,431	61.0%	Current salary with 3% increase in May 22 and 2.5% increase in May 23 less 5.8% vacation
General Maintenance	30,217	54,690	24,473	81.0%	3.8 FTE with \$17.47 average rate.
Payroll Taxes	6,644	8,887	2,243	33.8%	7.94% of R&M payroll
Employee Benefits	5,694	7,614	1,920	33.7%	6.80% of R&M payroll
Holiday	2,307	2,318	11	0.5%	
Vacation /PTO	7,553	10,095	2,542	33.7%	9.02% of R&M payroll
Bonus/Incentive Pay	3,713	4,835	1,122	30.2%	50% of max potential for DOE of Asst DOE. \$155 per month for perfect attendance.
Contract Labor	4,689	0	-4,689	-100.0%	
Total P/R & Related Expenses- Maintenance	106,625	145,700	39,075	36.6%	
Operating Expenses- R & M					All R&M expenses were built off of the hotel budget using 31/69 split
Laundry Equipment	2,570	3,240	670	26.1%	
Building Maintenance	10,763	4,068	-6,695	-62.2%	additional money spent in 21/22 for all wall repairs. we do not anticipate these expenses will repeat.
Office Equipment	183	132	-51	-27.8%	
Light Bulbs	2,329	2,292	-37	-1.6%	
Electrical & Mechanical	2,088	3,048	960	46.0%	
HVAC	12,922	11,460	-1,462	-11.3%	see expense planner
Plumbing & Boiler	5,194	4,068	-1,126	-21.7%	
Pool	743	1,632	889	119.7%	
Grounds & Landscaping	13,522	15,387	1,865	13.8%	see expense planner
Interior Plants	0	1,620	1,620	100.0%	
Signage	36	408	372	1038.7%	
Furniture & Fixtures	830	3,252	2,422	291.7%	
Painting	752	1,080	328	43.6%	
Carpet & Floor	305	540	235	76.9%	
Window Treatments	411	0	-411	-100.0%	
Telephone	1,308	1,200	-108	-8.3%	\$100 per month
Kitchen Equipment	3,111	4,884	1,773	57.0%	
Locks & Keys	928	1,020	92	9.9%	
Radio & TV	275	408	133	48.2%	
Exterminating	5,855	5,844	-11	-0.2%	see expense planner
License & Permits	216	231	15	6.9%	see expense planner
Maintenance Contracts	3,644	3,572	-72	-2.0%	monthly Assa Abloy. \$2,564 in March for window cleaning
Equiupment Rental	64	0	-64	-100.0%	
Uniforms- R & M	1,107	952	-155	-14.0%	6 general maint x \$10 per uniform x number of Thurs in the month. See expense planner
Storage	2,922	4,476	1,554	53.2%	
Fire & Safety	1,802	2,802	1,000	55.5%	see expense planner
Elevator	6,145	9,368	3,223	52.4%	see expense planner
Workers Comp- R & M	1,696	2,347	651	38.4%	
Total Operating - R & M	81,721	89,331	7,610	9.3%	
Total Expenses- R & M	188,346	235,031	46,685	24.8%	

Description	21/22	22/23	Variance	% Diff	Comments
UTILITIES DEPARTMENT					
UTILITIES EXPENSE					
Electricity	161,052	170,234	9,182	5.7%	four year average with 5% increase
Gas	50,487	51,944	1,457	2.9%	four year average with 5% increase
Water & Sewer	65,171	79,598	14,427	22.1%	four year average with 3% increase
Waste Removal	11,446	13,419	1,973	17.2%	four year average
Total Expenses- Utilities	288,155	315,195	27,040	9.4%	
FRANCHISE DEPARTMENT					
FRANCHISE FEES					
Franchise Fees/ Royalties	75,000	75,000	0	0.0%	Marriott F&B fee
Advertising	47,590	56,266	8,676	18.2%	1.21% of food revenue
Frequent Traveler	178,752	224,462	45,710	25.6%	4.83% of food revenue
Brand Guest Fees	29	0	-29	-100.0%	
Other Franchise Cost	44,162	55,454	11,292	25.6%	
Total Franchise Fees Expense	345,533	411,182	65,649	19.0%	
MANAGEMENT FEES					
Management Fees	229,931	236,832	6,901	3.0%	annual 3% increase
Management Fees- Owner	233,280	240,276	6,996	3.0%	annual 3% increase
Total Management Fees Expense	463,211	477,108	13,897	3.0%	
FIXED EXPENSES					
Personal Property Tax	3,504	3,504	0	0.0%	
Insurance	4,200	4,200	0	0.0%	
TOTAL FIXED EXPENSES	7,704	7,704	0	0.0%	



File #: 21-03094

DATE: March 31, 2022
TO: Budget & Finance Committee
FROM: Angelique Franzoni, Financial Analyst
Michael Walters Young, Budget and Analytics Manager

SUBJECT:

Budget Presentation - Appropriations to Outside Agencies

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the budget requests for Appropriations to Outside Agencies for FY 2022-2023.

BACKGROUND/STAFF COMMENTS:

Each year, the Budget & Finance Committee reviews the detailed budget of each City Department. At the meetings in February, March, and April, departmental staff makes a presentation of the plans for the next budget cycle and the requested funding for those anticipated needs. This provides the Committee with an idea of the size and scope of budget requests that may be included in the City Administrator's proposed budget, which is typically delivered at the May committee meeting.

FINANCIAL IMPACT:

The financial impact varies by department, depending on the increase in population, the required services, equipment replacement needs, and program enhancements.

RECOMMENDATION:

Staff recommends review of the budget materials. No action is required.

FY2023 Appropriations Funding



Getting to Know
Our Community Partners

Outside Agency Funding Types

- **Internal Revenue Code Section 501c3:** a nonprofit organization that has been approved by the IRS as a tax-exempt, charitable organization (organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, educational, or other specified purpose). Appropriation requirements per T.C.A. 6-54-111, as amended.
- **Internal Revenue Code Section 501c4 and 501c6:** a nonprofit civic organization that has been approved by the IRS as a tax-exempt organization which “...direct[s] their efforts at promoting the common economic interests of all commercial enterprises in a trade or community”. Appropriation requirements per T.C.A. 6-54-111, as amended.
- **Government:** Williamson County and its agencies and the State of Tennessee or any of its political subdivisions or instrumentalities that serve the City of Franklin.

*information on the following slides were taken from applications submitted by the noted entities and “about” pages on entity websites.

501c3

“Promoting the General Welfare of Franklin Residents”



The Arc Williamson County is committed to helping individuals and families locate and access services and otherwise secure their rights guaranteed by law. The City of Franklin funds will be used toward the salary and supplies for staff who work with the Advocacy program which provides social skills training to students who attend Williamson County and Franklin Special Schools as well as young adults who reside in Franklin. Be on the lookout for the disABILITY Resource Fair! www.thearcwc.org



The Boys & Girls Clubs of Middle Tennessee are at the forefront of youth development, working with young people from disadvantaged economic, social, and family circumstances. The City of Franklin funds will be used for general operating purposes and 100% will go directly to programmatic expenses including after school transportation, proper staff coverage, purchase of educational and technology resources, field trips and outings, and the purchase of healthy snacks and meals. The funds will help provide local families access to affordable, after-school and summer opportunities at the Franklin Club. www.bgcmt.org



The Bridges Domestic Violence Center serves women, men, and their children affected by domestic violence, ensuring a safe transition to successful independent living through education, intervention, and case management. The City of Franklin funds would be used to support the crisis intervention team that responds upon request with the Franklin Police Department to the scene of domestic violence assaults. Funds will also support the shelter services; food, gas, clothing, legal assistance, rental subsidies, etc. www.bridgesdvc.org



The Community Child Care Center's mission is to provide a nurturing and safe childcare program. They help families reach levels of independence that would not be possible without an affordable, safe and nurturing care alternative for their children. The City of Franklin funds will go toward important areas of the program: assistance to families who have a financial hardship and are struggling to pay for care, pay increases to teachers who have shown resilience working everyday through the pandemic and beyond, required training for the educators, and hosting in house guest speakers and entertainment for the children. www.childcarefranklin.org



The Community Housing Partnership of Williamson County seeks to create, supply and maintain affordable housing by rehabilitation, maintenance, and restoration. The City of Franklin Funds would be used to support the Single-Family and Multi-Family Development programs with projects located within the City of Franklin. The funds will specifically be used towards administrative, operational, and project management costs to free up available funds from other sources for the project costs related to acquisition, rehabilitation, and construction of affordable housing. www.chpwc.org



The Davis House provides investigative and healing services to children who have been sexually and/or significantly physically abused and neglected. They also provide community education and outreach to public and private organizations and institutions. Services include forensic interviews, victim advocacy, therapy, and prevention training. The City of Franklin funding will go to support the general operations of Davis House CAC in Franklin. Davis House serves an average of 109 children from the City of Franklin. www.davishousecac.org

FRANKLIN
TOMORROW

Franklin Tomorrow is recognized as a community visioning and engagement partner for the City and its citizenry. The City of Franklin Funds will help continue events and help expand outreach with marketing initiatives. Events such as Breakfast with the Mayors, FrankTalks, Get Fit Franklin and Find Hope Franklin engage the community, foster collaboration, and advocate for a shared vision for the future of Franklin. www.franklintomorrow.org



Gentry's Education Center offers children in Franklin, TN the opportunity to enrich their lives through education and mentoring. Students are given needed instruction to fill gaps in learning and guidance and mentoring to realize their full potential. The City of Franklin funds will go toward providing Gentry's 2Gen Initiative (G2GI). G2GI will focus on creating opportunities for and addressing the educational needs of both children and families together. Funding will increase Gentry's teaching and counseling capacity. <https://sites.google.com/gentryeducationalfoundation.org/gentrys-educational-foundation>



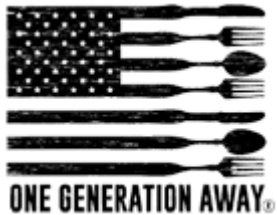
Gilda's Club Middle Tennessee is dedicated to providing support, education, and hope to all people impacted by cancer, including family members and friends of those diagnosed. The City of Franklin funding will directly support the program and operating costs for the virtual psychosocial cancer support program offered to the residents of Franklin completely free of charge and often not covered by traditional medical insurance. www.gildasclubmiddletn.org



GraceWorks offers wraparound services to many individuals and families in need. The wraparound services include food, clothing, housing support, and financial assistance. The City of Franklin funds will be used for rent and utility bill assistance. The average assistance given for rent per family is \$880 and \$163 for utility bill assistance. www.graceworksministries.net



The Mid-Cumberland Human Resource Agency was created on the belief that all Middle Tennesseans deserve to live productive, healthy, and independent lives. City of Franklin funds are requested for dues (used for the purpose of matching various federal programs of assistance), for the Homemaker and Elder Abuse Program to help provide direct support services to seniors who are neglected and no longer able to take care of themselves; keeps them home longer, for the Meals on Wheels program to directly help serve 1,827 meals, and for the Long-Term Care Ombudsman program to help provide Ombudsman services to the nursing homes and assisted care living facilities located in the City of Franklin. Ombudsman services are advocacy representatives for seniors in long term care facilities. www.mchra.com



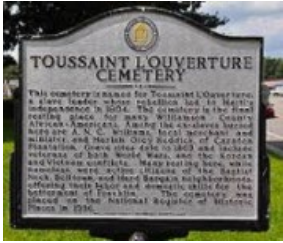
One Generation Away rescues high-quality surplus foods from grocery stores, restaurants, caterers, and farms and distributes them to families experiencing food insecurity. The distributions take place in parking lots of partnering schools, churches, businesses and organizations, so they can take food to the areas of need to reduce the travel burden on food-insecure families. The City of Franklin funds will cover the food costs for two of the mobile food pantry distributions in Franklin. www.onegenaway.com



The Second Harvest Food Bank of Middle Tennessee's mission is to provide food to people facing hunger and work to advance hunger solutions. The City of Franklin funding will support the effort to collect donated food from retail stores in Franklin and Williamson County. This food or equal volume of a diverse mix of food items is delivered to other community partners for distribution to citizens. The program that collects the donated food for distribution is called the "Middle Tennessee's Table". The largest costs related to this program are truck operations (fuel and maintenance). www.secondharvestmidtn.org



The mission of Sister Cities of Franklin and Williamson County is to build global relationships, to share cultural and educational experiences, and to inspire economic growth for our community. The increase in funds will be used to offset the cost of hosting the Bad Soden mayoral visit and events, hosting the Humboldt Exhibit, evaluation of a fourth Sister City, support the 2022 Celebration of Nations, re-launch of student and/or adult exchanges, and toward general operating expenses (insurance, website, annual Sister City International membership fee, PO Box, etc.). www.sistercitiestn.org



The Toussaint L’Ouverture Cemetery Organization, Inc. is a new organization whose mission is to maintain and beautify the Toussaint L’Ouverture Cemetery in Franklin. In 1884, the Toussaint L’Ouverture Cemetery was created specifically for the internment of “persons of African descent” and was named in honor of Francois Toussaint Louverture, a Haitian man who had been enslaved before leading the only successful slave revolt in modern history. The revolt led to Haiti’s independence from France and Spain, and Louverture became an inspiration to slaves of African descent in the Western Hemisphere. This cemetery is now a part of the National Register of Historic Places. City funds will help offset the costs of regular maintenance.



The Transit Alliance of Middle Tennessee works with contributors, community officials and regional leaders to build support for funding regional transit in Middle Tennessee with a purpose to educate, empower, and mobilize policy to serve the entire region. The City of Franklin funds will support programs, including the Transit Citizen Leadership Academy, regional Alumni and volunteer training efforts, as well as other educational programs as opportunities arise.

www.thetransitalliance.org



Waves empowers individuals with intellectual and developmental disabilities to progress toward their full potential. The City of Franklin funds will go toward the Franklin Adult Day Program. The Franklin Adult Day Program provides meaningful daily activities for adults that will empower them to progress toward their full potential. Such support allows them to participate in, and contribute to, family and community life. Having a safe place for their family member allows their other family members to work. www.wavesinc.com

501c6 and 501c4

“Bringing About Civic Betterments and Social Improvements”



The Williamson County Chamber of Commerce provides unparalleled access to education, leadership development, relationship-building and up-to-the-minute information about doing business in one of the country's fastest growing counties. The City of Franklin funds to the Tourism division will be used to support the growth of new and existing businesses throughout the City and greater Williamson County, including professional development opportunities, networking and business development-oriented programs/events to support small, medium, and large companies. The City of Franklin funds toward the Economic Development division will be used to help support the strategic plan in the areas of career growth (existing business initiatives, business recruitment, and entrepreneurship), outreach (local and regional planning initiatives), and talent (workforce development programming). www.willamsonchamber.com



The Williamson County Convention & Visitors Bureau (Visit Franklin) is the official destination marketing organization for Williamson County, TN, including all its incorporated cities. They are responsible for developing and implementing an effective program of marketing, sales, promotion, and new market development designed to attract visitors to Williamson County. Their focus is on leisure travel, meetings/conferences/conventions, group tours, and sports marketing. The City of Franklin funds will go toward supporting the operations of Visit Franklin and their efforts to impact each market segment with advertising, digital marketing, direct sales, trade show and marketplace attendance, publications, media familiarization tours/site inspections, and new product development. www.visitfranklin.com



The Greater Nashville Regional Council assists local communities and state agencies in the development of plans and programs that guide growth and development in the most desirable, efficient, and cost-effective manner, while ensuring the continued long-term livability of the region. They convene elected leadership and local practitioners to brainstorm strategies for improving quality of life; facilitating cooperative policy-making in order to prioritize state and federal investments into area social services and public infrastructure; and provide a public forum for Middle Tennesseans to shape regional decisions. The GNRC operates as a council of governments and represents 13 counties and 52 cities in Middle Tennessee. www.gnrc.org

Government

“Working Together To Support Our Citizens”



The Williamson County Health Department addresses health issues identified in Williamson County. They implement programs that promote health and safety within our community. Health educators provide numerous events and activities for both Williamson County and Franklin Special School District schools including nutrition and physical activity events. The Health Department plans to continue its collaboration with other agencies to provide education and prevention strategies about the county's leading indicators. www.williamsoncounty-tn.gov/120/Health-Department



The Williamson County Animal Center makes Williamson County Tennessee better for animals through adoption, education, enforcement and pet population control. They have a goal of increasing the save rate, finding a good home for every adoptable pet, slowing pet population growth, ending animal neglect and abuse, and being a positive force in the community. www.adoptwcac.org



The Williamson County Library seeks to meet the recreational, educational, and information needs of county patrons through a significant collection of digital and print materials housed at a network of county wide locations headquartered in Franklin; extensive personal computer and related technology; and diverse and interesting programs targeted to various age groups. The City of Franklin funds are used exclusively for reading materials. www.wcpltn.org



The Tennessee Rehabilitation Center at Franklin provides no cost services in the form of Vocational Evaluations, Employee Development Services, Job Placement, and Pre-Employment Transition Services to eligible individuals in Franklin with significant disabilities who are interested in obtaining training and employment. www.tn.gov/humanservices/ds/community-trc.html



The Regional Transit Authority is a State Agency that provides ridesharing opportunities in order to promote the economic growth of our membership and improve the air quality of our community. RTA is led by a board of city and county mayors and community leaders. The City of Franklin funds are for the Route 95X (Franklin/Spring Hill). www.rtarelayandride.com



City of Franklin, Tennessee

FY 2023 Operating Budget Request

Appropriations



City of Franklin, Tennessee - FY 2023 Budget Request

Appropriations

Slide 2

Outline

- Base Budget Request**
- Program Enhancement Requests**

City of Franklin, Tennessee - FY 2023 Budget Request

Appropriations

Slide 3

Budget Purpose & Request

The Appropriations budget provides for the allotment of City of Franklin funds to various outside agencies, functions and programs that are under IRS classifications 501c3, 501c4, 501c6, and government entities.

Budget Summary

	2020 Actual	2021 Actual	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Personnel	0	0	0	0	0	0	0.0%
Operations	486,738	446,248	509,919	509,919	568,771	58,852	11.5%
Capital	0	0	0	0	0	0	0.0%
Total	486,738	446,248	509,919	509,919	568,771	58,852	11.5%

- All funding requests are level-funded, except for:
- Animal Control Increase: \$58,852

City of Franklin, Tennessee - FY 2023 Budget Request

Appropriations

Outside Agency Funding Types

- **Internal Revenue Code Section 501c3:** a nonprofit organization that has been approved by the IRS as a tax-exempt, charitable organization (organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, educational, or other specified purpose). Appropriation requirements per T.C.A. 6-54-111, as amended.
- **Internal Revenue Code Section 501c4 and 501c6:** a nonprofit civic organization that has been approved by the IRS as a tax-exempt organization which "...direct[s] their efforts at promoting the common economic interests of all commercial enterprises in a trade or community". Appropriation requirements per T.C.A. 6-54-111, as amended.
- **Government:** Williamson County and its agencies and the State of Tennessee or any of its political subdivisions or instrumentalities that serve the City of Franklin.



City of Franklin, Tennessee - FY 2023 Budget Request

Appropriations

Slide 5

Program Enhancement Requests

In addition to the existing requests for funding under the Appropriations budget, there are twelve increase requests (totaling \$100,913) to address increased need in the community.

Increases:

- Boys & Girls Club	\$ 3,500
- Community Childcare	\$ 2,583
- Community Housing Part.	\$ 6,540
- Davis House	\$ 24,730
- Franklin Tomorrow	\$ 5,390
- Gentry's Education Center	\$ 8,600
- Gilda's Club Middle TN	\$ 3,500
- Graceworks	\$ 5,000
- Health Department	\$ 2,115
- Mid-Cumberland Hum. Res. Dues	\$ 6,874
- Second Harvest	\$ 5,000
- Sister Cities	\$ 27,081
Total	\$100,913



City of Franklin, Tennessee - FY 2023 Budget Request

Appropriations

Slide 6

Program Enhancement Requests, continued.

The below represent two new community partners requesting funds from the City of Franklin.

One Generation Away	\$ 5,000
Toussaint L'Ouverture Cemetery Org. Inc.	\$ 32,400
Total	\$ 37,400

PER Request Total: \$138,313



City of Franklin, Tennessee

FY 2023 Operating Budget

Appropriations

Budget Summary

	2020	2021	2022		2023	2022 v. 2023	
	Actual	Actual	Budget	EOY	Budget	\$	%
Personnel	0	0	0	0	0	0	0.0%
Operations	486,738	446,248	509,919	509,919	568,771	58,852	11.5%
Capital	0	0	0	0	0	0	0.0%
Total	486,738	446,248	509,919	509,919	568,771	58,852	11.5%

Department Goals

The Appropriations budget provides for the allotment of City of Franklin funds to various outside agencies, functions and programs that are under IRS classifications 501c3, 501c4, 501c6, and government entities.



City of Franklin, Tennessee

FY 2022 Operating Budget

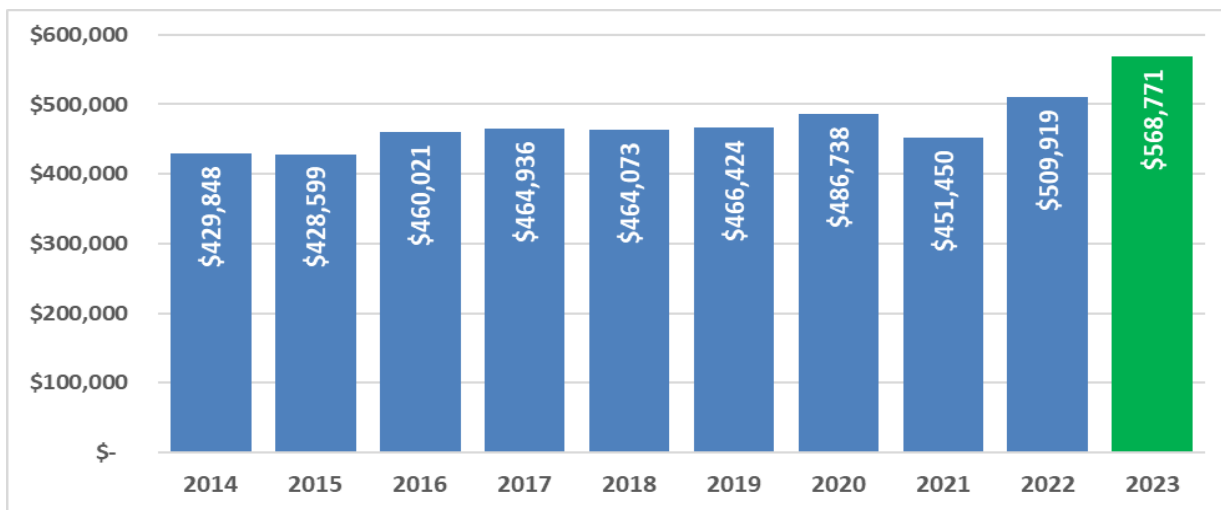
Organizational Chart

There is no organization chart associated with Appropriations. It is supervised by personnel in Administration and the Finance Department.

Staffing by Position

There are no staff formally associated with Appropriations. It is supervised by personnel in Administration and the Finance Department.

Ten-Year Appropriations History



Franklin Citizens Survey

		2016 Citizens Survey		2019 Citizens Survey	
		Excellent/ Good	Fair/Poor	Excellent/ Good	Fair/Poor
☒	% rating the quality of services provided by Public Library Services	93%	7%	93%	7%
☒	% rating the quality of services provided by Health Services	88%	12%	88%	12%
☒	% rating the quality of services provided by Animal Control	79%	21%	84%	16%



City of Franklin, Tennessee

FY 2023 Operating Budget

Budget

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference \$	%
Operations							
Contracted Services							
Regional Transit Authority - 91X Bus	56,185	-	-	-	-	-	0.0%
Franklin Tomorrow	34,610	-	-	-	-	-	0.0%
Sister City Program	6,300	-	-	-	-	-	0.0%
TN Rehab @ Franklin	-	-	-	-	-	-	0.0%
Total Contracted Services	97,095	-	-	-	-	-	0.0%
Appropriations to Governments							
Health Department	21,150	19,035	19,035	19,035	19,035	-	0.0%
Animal Control	-	91,394	121,976	121,976	180,828	58,852	48.2%
Library - Books	64,220	57,798	64,220	64,220	64,220	-	0.0%
Regional Transit Authority - 91X Bus	-	56,185	56,185	56,185	56,185	-	0.0%
TN Reha @ Franklin	28,964	10,427	20,853	20,853	20,853	-	0.0%
Total Appropriations to Gov't	114,334	234,839	282,269	282,269	341,121	58,852	20.8%
Appropriations to Charitable Organizations							
ARC	4,230	3,807	5,000	5,000	5,000	-	0.0%
Boys & Girls Club	18,000	16,200	21,500	21,500	21,500	-	0.0%
Bridges	15,040	13,536	18,050	18,050	18,050	-	0.0%
Community Child Care	29,140	26,236	30,000	30,000	30,000	-	0.0%
Community Housing Partnership	8,460	7,614	8,460	8,460	8,460	-	0.0%
Franklin Tomorrow	-	31,149	34,610	34,610	34,610	-	0.0%
Gentry's Education Center	20,000	18,000	22,500	22,500	22,500	-	0.0%
Mid Cum Hum Res/Homemaker	4,700	4,230	4,230	4,230	4,230	-	0.0%
Mid-Cum Hum Res/Ombudsman	2,500	2,250	2,250	2,250	2,250	-	0.0%
Mid-Cum Meals on Wheels	10,152	9,137	9,137	9,137	9,137	-	0.0%
Second Harvest/Nashville's Table	1,500	-	-	-	-	-	0.0%
Sister City Program	-	4,950	5,500	5,500	5,500	-	0.0%
Waves	22,913	20,622	22,913	22,913	22,913	-	0.0%
Wmson Co Emergency Relief/Graceworks	15,000	13,500	20,000	20,000	20,000	-	0.0%
Animal Control	118,674	-	-	-	-	-	0.0%
Transit Alliance	5,000	4,500	5,000	5,000	5,000	-	0.0%
Davis House	-	-	15,000	15,000	15,000	-	0.0%
Animal Control	-	30,465	-	-	-	-	0.0%
TN Reha @ Franklin	-	5,213	-	-	-	-	0.0%
Gilda's Club	-	-	3,500	3,500	3,500	-	0.0%
Total Appropriations to Charitable Orgs.	275,309	211,409	227,650	227,650	227,650	-	0.0%
Total Operations	486,738	446,248	509,919	509,919	568,771	58,852	11.5%
Total Appropriations	486,738	446,248	509,919	509,919	568,771	58,852	11.5%

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Budget & Finance - April 14, 2022 | Page 4617

	Account	Label	Actual 2019	Actual 2020	Budget 2021	Actual 2021	Budget 2022	YTD 2022	Estd 2022	Forecast 2023	Forecast 2024	Forecast 2025
=	XAPP	TOTAL APPROPRIATIONS	466,424	486,738	451,450	446,248	509,919	273,536	509,919	568,771	568,771	568,771
=	XOP	TOTAL OPERATIONS	466,424	486,738	451,450	446,248	509,919	273,536	509,919	568,771	568,771	568,771
=	XTOT	TOTAL EXPENDITURES	466,424	486,738	451,450	446,248	509,919	273,536	509,919	568,771	568,771	568,771

FY 2023 Program Enhancement Request Form



HISTORIC
FRANKLIN
TENNESSEE

Intended Year:

2023

Department Priority:

1

of

1

Department:

45920 APPROPRIATIONS

Division:

FranklinForward Theme:

Quality Life Experiences

Title:

Additional Funding Requests

Purpose: Use this form to spell out your request for additional personnel and/or programs. We will work with you to tally the requests and create a prioritized list.

REQUESTED PROGRAM ENHANCEMENT FUNDING

Account Description	One-Time Cost (FY22 Only)	Ongoing Annual Cost (FY22 & Future)	TOTAL FY22 Request
Compensation			
			\$0
			\$0
Benefits			
<i>Benefits auto-calculated at 30% of compensation -->></i>	\$0	\$0	\$0
Expenses			
87000 Appropriations		\$138,313	\$138,313
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
TOTAL	\$0	\$138,313	\$138,313

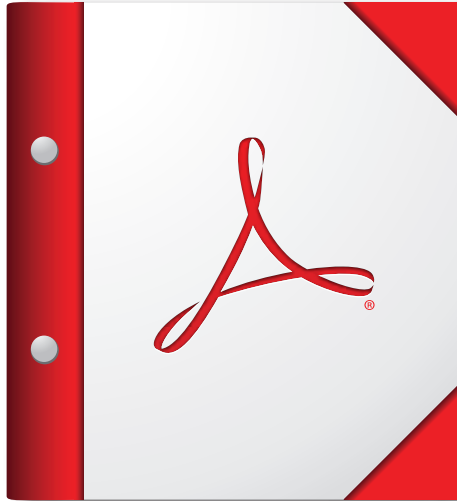
PURPOSE / DESCRIPTION OF REQUEST

In addition to the the recurring funding requests under the Appropriations budget, there are 14 which would be considered "new" or otherwise not part of the FY22 base budget.

Boys & Girls Club	\$ 3,500	
Community Childcare	\$ 2,583	
Community Housing Part.	\$ 6,540	
Davis House	\$24,730	
Franklin Tomorrow	\$ 5,390	
Gentry's Education Center	\$ 8,600	
Gilda's Club Middle TN	\$ 3,500	
Graceworks	\$ 5,000	
Health Department	\$ 2,115	Restoration of pre-covid funding level
Mid-Cumberland Hum. Res. Dues	\$ 6,874	Previously requested, not previously funded
One Generation Away	\$ 5,000	New applicant
Second Harvest	\$ 5,000	Returning applicant/prior recipient
Sister Cities	\$27,081	Special Project Funding plus add'l \$1,000 for inflation
Toussaint L'Ouverture Cemetery Org. Inc.	\$32,400	New applicant

Details can be found online as part of the agenda item on Civic Clerk.

SERVICE IMPLICATION



**For the best experience, open this PDF portfolio in
Acrobat X or Adobe Reader X, or later.**

Get Adobe Reader Now!



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name: Boys & Girls Clubs of Middle Tennessee (Franklin Club)

(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:

Denise Carothers

dcarothers@bgcmt.org

615-628-8188

Name

Email

Phone

Mailing Address:

1704 Charlotte Avenue Suite 200
Nashville, TN 37203

Headquarters' Address (if different from mailing):

1704 Charlotte Avenue Suite 200
Nashville, TN 37203

Total amount of City of Franklin funds being requested for FY2022-2023 \$25,000.00

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Eric Higgs

Printed Name of (CEO/President/Executive Director/Board Chair)

02/18/2022

Date

Signature of (CEO/President/Executive Director/Board Chair)

02/18/2022

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Boys & Girls Clubs of Middle Tennessee (Franklin Club)

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

See attachment.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

STATEMENT OF WORK (PROGRAM OBJECTIVES)

We are dedicated to ensuring that our community's children and teens have greater access to quality programs and services. Our goal is to ensure that our Club youth are 100% ready for their great futures--ready to read, ready for class the next day, ready to graduate, ready for their careers and ready to serve their communities.

Program objectives are to:

1. Provide academic enrichment with a focus on science, technology, engineering, the arts, math and technology to increase the abilities of lower performing students along with other academic activities.
2. To provide students a structured and safe environment that stresses responsible behavior, respect for others, and positive attitudes.
3. To provide an intense intervention program for those residing in economically and socially disadvantaged neighborhoods.

Program Description

For over 118 years, Boys & Girls Clubs of Middle Tennessee (BGCMT) has been at the forefront of youth development, working with young people experiencing disadvantaged economic, social, and family circumstances. We have actively sought to enrich the lives of girls and boys, ages 5-18 years old, which other youth agencies have had difficulty reaching. Our mission is to inspire and enable all young people, especially those who need us most, to reach their full potential as productive, responsible and caring citizens.

Our Franklin Club is strategically located in within walking distance of the Franklin Housing Authority communities of Natchez, Park, and Spring Streets, the Reddick Apartments and Short Court. Parents and caregivers in these communities rely on the Club to provide a safe and supervised environment for youth (ages 5 – 18 years) after school, during school holidays, and breaks.

Because of inequities like low wages, high cost of living and food deserts, many of the youth in these families don't have access to the nutritious food they need. More than 79% of our Franklin Club youth rely on free or reduced lunch. That's why we work with community partners to provide snacks and meals to every youth who walks through our doors.

BGCMT is requesting that the City of Franklin make a \$25,000 investment to provide programs and wraparound services that equal the opportunity field for local youth by improving their grades, closing literacy gaps, and expanding digital/tech exposure.

BGCMT programs are tailored to meet the needs of youth in academics, health, and character. Through our programs, youth increase engagement in school and show improvement in academics, as well as a reduction in Summer and COVID-19 slide which disproportionately impacts youth from low-income communities.

Boys & Girls Clubs of Middle Tennessee provides age appropriate programs for youth with the focus being Academic Success, Good Character and Healthy Lifestyles. In the area of Academic Success, the Club supports members' school success through such efforts as homework help and school readiness, engages members in fun, hands-on activities to practice and learn reading, writing, speaking, math and scientific inquiry and provides extra help for members who have difficulty mastering academic content and skills. One program offered is Let's go Learn (LGL). LGL is an interactive literacy program designed to provide an objective, individualized assessment in eight-sub-skills of reading (high frequency words, word recognition, phonics, oral vocabulary, spelling, reading comprehension, fluency, and phonemic awareness) and a management system for the reporting and analysis of student scores. Post assessment, students are provided with up to sixty supplemental and customizable lessons tailored through LGL's Edge learning system.

In the area of Good Character, the Club engages members in Club and/or community-based service, introduces concepts of good character, encourages civility and tolerance, and recognizes good behavior. In the area of Healthy Lifestyles, the Club teaches members about basic nutrition and healthy eating, provides multiple ways for members of all ages to engage in fitness activities, track fitness activity levels and reach out to inactive members and teaches decision-making skills. Girls ages 8 to 18 participate in SMART Girls and boys ages 11 to 14 participate in Passport to Manhood. SMART Girls is a small group health, fitness, prevention/education and self-esteem enhancement program designed to meet the developmental needs of girls in three age groups, spanning ages 8 to 18. Through dynamic sessions, participatory activities, field trips and mentoring opportunities with adult women, Club girls explore their own and societal attitudes and values as they build skills for eating right, staying physically fit, getting good health care and developing positive relationships with peers and adults. Passport to Manhood represents a targeted effort to engage young boys in discussions and activities that reinforce character, leadership and positive behavior. Each participant receives a “passport” to underscore the notion that he is on a personal journey of maturation and growth. Each of the program’s 14 sessions uses interactive activities to focus on a specific aspect of character and manhood. It also includes a service project where boys learn the importance of giving back to the community.

Use of Funds

Requested funds will be used for the primary purpose of administering afterschool and summer enrichment programs, to youth located within the City of Franklin. Monies will be used for general operating purposes and 100% of funds will go directly to programmatic expenses. Programmatic expenses include after school transportation from New Hope Academy, seven Franklin Special School District Schools, and five Williamson County Schools; adequate staff coverage ensuring that adult-child ratios are met; purchase of educational and technology resources; field trips and outings; and purchase of healthy snacks and meals.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Boys & Girls Clubs of Middle Tennessee (Franklin Club)

4. What is your fiscal year (ex. July 1 to June 30)? January to December
5. How often does the Board of Directors receive/approve financial reports?
☒ bi-monthly ☐ monthly ☐ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin? 11

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Eric Higgs

Printed Name of (CEO/President/Executive Director/Board Chair)

02/18/2022

Date

Signature of (CEO/President/Executive Director/Board Chair)

02/18/2021

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Boys & Girls Clubs of Middle Tennessee (Franklin Club)

Attachments:

- ☐ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☒ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☐ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



2022 Corporate Board of Directors & Officers

2022 Board Officers

Andrea Hart

Board Chair
Global HR Director
CAT-Financial

RJ Stillwell

Immediate Past Chair
Sound Healthcare and Financial

Lee W. Schaefer

Chair, Safety & Secretary
CEO, Maverick Properties

Jerry Geraghty

Treasurer
Rogers Group, Inc. –
Retired CEO

Mark Traylor

Co-Chair, Operations
Director of Retail Properties
Boyle Investment Co.

Tonya Sisco

Co-Chair, Operations
Project Director, External Diversity
Initiatives, Cummins Inc.

Jensen Sessums

Chair, Resource Development
Camshaw Consulting

Donald Holmes

Chair, HR
Exec. Vice President, HR
Delek Holdings

Farzin Ferdowsi

Member at Large
President & CEO
MRCO

Hunter West

Member at Large
VP of Sales, Thomas and Company

Ward Wilson

Member at Large
Regional President
Tennessee, US Bank

Board Members

Allen Bolden, CPA, CCIM

HBRE

Amanda Farnsworth

Community Volunteer

Anne Keeble Frazer

Community Volunteer

Benjamin “BJ” Crowder

Sr. Dir., Mars Petcare

Brian Bialek

Executive Director
J. P. Morgan

Drew Emerson

VP, JE Dunn

Eric Bymaster

Associate Vice Chancellor, Finance
Vanderbilt University

James Crumlin

Attorney
Bone, McAllester, Norton PLLC

John Gallagher

Partner, Ernst & Young LLP

Jack Wallace

Senior VP
Willis of Tennessee

Julie Sebree

VP, Envision Healthcare

Katie Payne

Audit Manager
Deloitte & Touche

Kenneth Webb

Chief Development Officer
CapStar Bank

Lani Williams

CHRO, Advise Insurance

Marion Ligon

VP of Human Resources
Group360

Phil Thornton

Senior VP & GM
Sony Music

Rebecca Ozols

VP of Growth & Strategy
Bell & Associates Construction

Stephen Wilson

CEO TN/AL
United Healthcare

Steve Tjugum

Enterprise Chief Underwriting
Officer, American Family
Insurance

Tony Grande

Chief Development Officer
Core Civic Corporation

Warren Brent, Jr.
President & CEO
Brent Consulting Group

Whit McCrary, IV
SR Managing Director
Cushman & Wakefield

BGCMT Executive Staff

Eric Higgs
President & CEO

Jennifer Wheeler Buhrman
Chief Development Officer

LaQuinta McGhee
Chief Operating Officer

1/28/2022



**Annual Reporting Form for Nonprofit Organizations
Seeking Financial Assistance from Local Governments**

Boys & Girls Clubs of Middle Tennessee

Name of Nonprofit Organization

1704 Charlotte Avenue Suite 200	Nashville	Davidson		37203
Street Address	City	County	State	Zip

Annual Financial Report of Cash Receipts, Disbursements, and Balances

For the Fiscal Year from Jan. 2021 **through** Dec. 2021

Report Required by Title 5, Chapter 9, Part 1,
And Title 6, Chapter 54, Part 1, *Tennessee Code Annotated*

Receipts

Federal Grants	\$	
State Grants		2,713,808.00
Financial Assistance from Local Governments		48,160.00
Donations and Gifts from Citizens		1,735,625.00
Membership Dues		17,271.00
Fees/Charges for Services		143,950.00
Fundraising Events		
Sale of Assets		442,601.00
Loans-Borrowed Funds		
Investment Income		2,866.00
Other Receipts		482,177.00
Total Receipts	\$	5,586,458.00 (A)

Disbursements

Grants and Other Assistance Paid to Other Organizations and Individuals	\$	
Salaries and Wages		2,554,669.00
Employee Benefits		127,861.00
Payroll Taxes		157,706.00
Fees for Services (non-employee)		421,379.00
Advertising and Promotion		97,794.00
Office Expenses		56,275.00
Leases/Rentals		32,538.00
Maintenance and Repairs		38,582.00
Supplies		517,077.00
Travel		22,472.00

Utilities	83,411.00	
Insurance	61,446.00	
Conferences, Conventions and Meetings		
Interest	13,469.00	
Purchase of Capital Assets – Vehicles and Equipment		
Purchase of capital Assets – Property and Buildings		
Loan Payments		
Other	376,925.00	
Total Disbursements		\$ 4,561,604.00 (B)

Cash Receipts Less Disbursements for the fiscal Year (A-B=C) \$ 1,024,854.00 (C)

Cash Balance - at the beginning of the fiscal year \$ (D)

Cash Balance - at the end of the fiscal year (C+D=E) \$ 1,024,854.00 (E)

Details of Cash Balance - at the end of the fiscal year

Cash on Hand	\$	
Cash in Bank – Checking	2,433,036.00	
Cash in Bank – Savings Accounts	15,549.00	
Cash in Bank – Certificates of Deposits	5,330,441.00	
Other Cash		
Total Cash - at the end of the fiscal year		\$ 7,779,026.00 (E)

Please Explain Proposed Use of the Financial Assistance from Local Governments.

Requested funds will be used for the primary purpose of administrating afterschool and summer enrichment programs, to youth located within the City of Franklin. Monies will be used for general operating purposes and 100% of funds will go directly to programmatic expenses. Programmatic expenses include after school transportation from New Hope Academy, seven Franklin Special School District Schools, and five Williamson County Schools; adequate staff coverage ensuring that adult-child ratios are met; purchase of educational and technology resources; field trips and outings; and purchase of healthy snacks and meals.

I certify that this report accurately presents the cash receipts, disbursements, and balances of the
Boys & Girls Clubs of middle Tennessee **for the fiscal year noted above.**

Name of Nonprofit Organization

Person Preparing Report

Denise Carothers

Printed Name

Denise Carothers Digitally signed by Denise Carothers

Signature

Phone Number 615-628-8188

Email Address dcarothers@bgcmt.org

Date 02/18/2022

Internal Revenue Service

Department of the Treasury

District
Director

Delaware-Maryland District

31 Hopkins Plaza, Baltimore, MD 21201

JULY 14, 1998

P.O. Box 13163, Room 817
Baltimore, MD 21203

Employer Identification Number:
62-0540402

BOYS AND GIRLS CLUB OF
MIDDLE TENNESSEE, INC.
PO BOX 110268
NASHVILLE, TN 37222-0268

Person to Contact:
EP/EO Tax Examiner

Telephone Number:
(410) 962-6058

Dear Sir/Madam:

This is in response to your inquiry received JULY 10, 1998, requesting a copy of the letter which granted tax exempt status to the above named organization.

Our records show that the organization was granted exemption from Federal Income Tax under section 501(c)(3) of the Internal Revenue Code effective SEPTEMBER, 1954.

We have also determined that the organization is not a private foundation because it is described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you under section 170 of the Code.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during the calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

A copy of our letter certifying the status of the organization is not available, however, this letter may be used to verify your tax-exempt status.

Because this letter could help resolve any questions about your exempt status, it should be kept in your permanent records.

Sincerely yours,


Paul M. Harrington
District Director

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
November 4, 2021

615-741-2555
Tom.Riley@tn.gov

Eric Higgs
Boys & Girls Club of Middle Tennessee
1704 Charlotte Avenue, Suite 200
Nashville, TN 37203-2979

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Boys & Girls Club of Middle Tennessee - CO1181
Registration Expiration Date: **June 30, 2022**

Dear Eric Higgs:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS Form 990, Form 990EZ, or 990N for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

AK:CO1181



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name: Bridges of Wmsn. County dbaBridges Domestic Violence Ctr
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact: Linda Crockett linda@jebridgesdvc.org 615-591-7752
Name Email Phone

Mailing Address: P.O. Box 1592 Franklin, TN 37065

Headquarters' Address (if different from mailing): P.O. Box 1592 Franklin, TN 37065

Total amount of City of Franklin funds being requested for FY2022-2023 \$ 18,050.00

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Linda Crockett, Exec. Dir.
Printed Name of (CEO/President/Executive Director/Board Chair)

02/24/2022
Date

Linda Crockett
Signature of (CEO/President/Executive Director/Board Chair)

2/24/2022
Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: **Bridges of Wmsn. County dbaBridges Domestic Violence Ctr**

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

The Bridges Domestic Violence Center serves women, men, and their children affected by domestic violence, ensuring a safe transition to successful independent living. Bridges crisis intervention team is designed to offer immediate support at the scene of the assault. The agency is on call for the Franklin Police Department 24 hours a day, 7 days per week. The crisis intervention team will advise victims of local resources, legal options and safety plan. Also, advocacy/referrals and information about orders of protection, criminal charges and court processes.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

The City of Franklin funds would be used to support the crisis intervention team that responds upon request with the Franklin Police Department to the scene of domestic violence assaults. Funds will also support the shelter services; food, gas, clothing, legal assistance, rental subsidies, etc.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Bridges of Wmsn. County dbaBridges Domestic Violence Ctr

4. What is your fiscal year (ex. July 1 to June 30)? July 1 to June 30
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☒ monthly ☐ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin? .01773

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

<u>Linda Crockett</u>	<u>02/24/2022</u>
Printed Name of (CEO/President/Executive Director/Board Chair)	Date

<u>Linda Crockett</u>	<u>2/24/2022</u>
Signature of (CEO/President/Executive Director/Board Chair)	Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: **Bridges of Wmsn. County dbaBridges Domestic Violence Ctr**

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/28/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER First Ins Partners 110 Mathis Dr. Suite 105 Dickson TN 37055		CONTACT NAME: Pamela Stanford (Rep) PHONE (A/C, No, Ext): (615) 446-2814 E-MAIL ADDRESS: pstanford@southpointrisk.com FAX (A/C, No):	
INSURED Bridges of Williamson County PO Box 1592 Franklin TN 37065		INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Insurance Companies INSURER B: Northstone Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES**CERTIFICATE NUMBER:** CL2212854314**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR			PHPK2325700	10/20/2021	10/20/2022	EACH OCCURRENCE \$ 1,000,000
			DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000				
			MED EXP (Any one person) \$ 20,000				
			PERSONAL & ADV INJURY \$ 1,000,000				
	GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☒ LOC ☒ OTHER: Professional Liability						GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
							Professional Liability \$ 1,000,000
A	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY			PHPK2325700	10/20/2021	10/20/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
			BODILY INJURY (Per person) \$				
			BODILY INJURY (Per accident) \$				
			PROPERTY DAMAGE (Per accident) \$				
							\$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE			PHUB785316	10/20/2021	10/20/2022	EACH OCCURRENCE \$ 1,000,000
			AGGREGATE \$ 1,000,000				
			\$				
	DED ☒ RETENTION \$ 10,000						\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below			WCN6004393	08/04/2021	08/04/2022	☒ PER STATUTE ☐ OTH-ER
			E.L. EACH ACCIDENT \$ 100,000				
			E.L. DISEASE - EA EMPLOYEE \$ 100,000				
			E.L. DISEASE - POLICY LIMIT \$ 500,000				
A	Directors & Officers Liability Employment Practices Liability			PHSD1658708	10/20/2021	10/20/2022	D&O Liability Limit \$1,000,000
			EPL Liability Limit \$1,000,000				
			Aggregate Limit \$1,000,000				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate Holder included as additional insured as respects to general liability coverage.

CERTIFICATE HOLDER**CANCELLATION**City of Franklin
109 3rd Avenue South

Franklin

TN 37064

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Pamela Stanford

Bridges Domestic Violence Center Board of Directors Roster

Position	Name	Race	Gender	Address	City, State, Zip	Bus. Phone	Home Ph	Mobile Ph	Fax	E-Mail	Committee	Joined	Yrs on Board
Chair	Karla McCamish	W	F	7030 Marwood Dr.	College Grove, TN 37046	615-748-2539		239-825-1783		karla.mccamish@regions.com	Executive/Building	2016	5
Co-Chair	Open												
Secretary	Kevin Herrington	W	M	9027 Keats St.	Franklin, TN 37064			615-308-6241		kevinherrington@comcast.net	Building	2018	3
Treasurer	Jill Hudson	W	F	215 Heathstone Circle	Franklin, TN 37069	615-309-2319		615-293-3700		judson@bmc.com	Fund Raising	2019	2
	Willie Hight	B	M	1097 Frank Martin Road	Shelbyville, TN 37160			615-840-3866		willie.hight@scasurgery.com	Finance	2015	Legacy
	Jeanne Rybolt	W	F	4059 Trail Ridge Dr.	Franklin, TN 37067	615-807-8710		615-512-1962		jeanne.rybolt@gmail.com	Fundraising	2018	3
	Marybeth Averill	W	F	4482 Gosey Hill Road	Franklin, TN 37064	615-771-2597	615-599-3069	615-418-1408		hiddenfelis1234@gmail.com	Board Develop. Chair/Mktg	2016	5
	Linda Hirsch	W	F	1302 Arrowhead Dr.	Brentwood, TN 37027		615-371-0264	615-972-0284		linda.hirsch@pilkerton.com	Building	2016	5
	Rae Sanchez	B	F	1101 Downs Blvd. Lot 140	Franklin, TN 37064	615-790-5556		615-788-0604		rae@chpwc.org	Fund Raising	2020	2
	Juanita Patton	B	F	301 Scruggs Ave.	Franklin, TN 37074	615-661-7470		615-300-3689		jeanette@firsthorizon.com	Board Development	2020	2
	Jen Roberts	W	F	265 Karnes Drive	Franklin, TN 37064			615-749-7470		jenroberts96@gmail.com	Marketing	2021	1
	Hannah Shelinut	W	F	7408 Flatbush Dr.	College Grove, TN 37046	615-850-9006				hannahshelinut@gmail.com	Marketing	2021	1
YLC Intern	Sara Vance	W	F	1010 48th Ave North	Nashville, TN 37209	615-742-7929		904-708-8325		sara.vance17@gmail.com	Jr. Board Chair	2021	1
	Brenda McFee	W	F	122 Pebble View Lane	Franklin, TN 37064	615-790-6908		615-948-0894		bmcfee122@gmail.com	Finance	2021	<1
	Jessica Bome	W	F	438 Eddy Lane	Franklin, TN 37064			615-785-5121		j_bome@intlegal.com	TBD	2022	<1
Exec Dir (ex-officio)	Linda Crockatt	W	F	805 West End Circle	Franklin, TN 37064	615-591-7752		615-714-0150	615-599-1964	linda@bridgesdvc.org	Executive Director	1998	22

The Board of Directors meets on a monthly basis, they are responsible for all organization, program and financial decisions.
The Executive Director is responsible for implementing all direct services and reports directly to the board chair.

BRIDGES OF WILLIAMSON COUNTY

FINANCIAL STATEMENTS

JUNE 30, 2021

***JOE OSTERFELD, CPA
CERTIFIED PUBLIC ACCOUNTANT
214 WEST FIFTH STREET ~ SUITE B
PO BOX 807
COLUMBIA, TN 38402-0807***

BRIDGES OF WILLIAMSON COUNTY

JUNE 30, 2021

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Financial Statements:	
Financial Position	2
Statement of Activities	3
Statements of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6

Joe Osterfeld, CPA

Certified Public Accountant

214 West Fifth Street ~ Suite B ~ PO Box 807 ~ Columbia, TN 38402-0807

Telephone: 931-388-7144 ~ E-mail: joeosterfeldcpa@att.net

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
BRIDGES of Williamson County
Franklin, Tennessee

We have audited the accompanying financial statements of BRIDGES of Williamson County (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BRIDGES of Williamson County as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Joe Osterfeld
CPA

Digitally signed by Joe Osterfeld
CPA
DN: cn=Joe Osterfeld CPA, o, ou,
email=joeosterfeldcpa@att.net,
c=US
Date: 2022.01.15 14:02:51 -06'00'

Joe Osterfeld, CPA
Columbia, Tennessee
January 15, 2022

BRIDGES OF WILLIAMSON COUNTY
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

<u>ASSETS</u>	
Cash	\$ 713,421
Grants receivable	121,022
Prepaid Expenses	5,929
Total current assets	<u>840,372</u>
Property and Equipment (at cost)	
Property and equipment, net of depreciation	608,186
Total assets	<u><u>\$ 1,448,558</u></u>
<u>LIABILITIES AND NET ASSETS</u>	
Accounts payable	\$ 2,559
Total current liabilities	<u>2,559</u>
Net assets without donor restrictions	1,445,999
Net assets with donor restrictions	-
Total net assets	<u>1,445,999</u>
Total liabilities and net assets	<u><u>\$ 1,448,558</u></u>

The accompanying notes are an integral part of the financial statements.

BRIDGES OF WILLIAMSON COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Support and Other Revenues</u>			
Contributions	\$ 737,299	\$ 88,500	\$ 825,799
Government grants	-	603,108	603,108
Fundraisers	106,519		106,519
In-kind contributions	55,637		55,637
Interest income	652		652
Other	4,044		4,044
Program fees	69,253		69,253
Net assets released from restrictions	691,608	(691,608)	0
Total public support and revenue	<u>1,665,012</u>	<u>-</u>	<u>1,665,012</u>
 <u>EXPENSES</u>			
Program services	993,729	-	993,729
Management and general	111,404		111,404
Fundraising	23,784	-	23,784
Total expenses	<u>1,128,917</u>	<u>-</u>	<u>1,128,917</u>
Increase (decrease) in net assets	536,095	-	536,095
Net assets, beginning - restated	<u>909,904</u>	<u>-</u>	<u>909,904</u>
Net assets, end of year	<u>\$ 1,445,999</u>	<u>\$ -</u>	<u>\$ 1,445,999</u>

The accompanying notes are an integral part of the financial statements.

BRIDGES OF WILLIAMSON COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>	<u>Total</u>
Salary and wages	\$ 500,331	\$ 74,762	\$ -	\$ 575,093
Payroll tax expense	34,722	5,188	-	39,910
Employee benefits	40,671	6,077	-	46,748
Conferences and meetings	-	1,481		1,481
Depreciation	45,254	-		45,254
Dues and subscriptions	10,320	-		10,320
Fundraiser expenses	-	-	23,784	23,784
Insurance	-	21,476	-	21,476
Maintenance and repairs	31,432	-	-	31,432
Occupany expenses	19,951	-	-	19,951
Office expense and supplies	12,074	-	-	12,074
Other	8,639	2,419		11,058
Pet expense	8,985	-	-	8,985
Professional fees	48,351	-	-	48,351
Program services	190,739	-	-	190,739
Publications and printing	1,525	-		1,525
Telephone and utilities	37,106	-		37,106
Travel, mileage and parking	3,630	-		3,630
Total expenses	<u>\$ 993,729</u>	<u>\$ 111,404</u>	<u>\$ 23,784</u>	<u>\$ 1,128,917</u>

The accompanying notes are an integral part of the financial statements.

BRIDGES OF WILLIAMSON COUNTY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (decrease) in net assets	\$ 536,095
Adjustments to reconcile increase in net assets to net cash provided (used) by operations:	
Forgiveness of Payroll Protection Program loan	(88,500)
Depreciation	45,254
(Increase) decrease in:	
Accounts receivable	(106,426)
Prepaid expenses	(1,536)
Increase (decrease) in:	
Accounts payable	8
Deferred revenue	(155,466)
Total from operations	<u>229,429</u>

CASH FLOW FROM INVESTING ACTIVITIES:

Purchase of fixed assets	<u>(24,625)</u>
Total from investing activities	<u>(24,625)</u>

CASH FLOW FROM FINANCING ACTIVITIES:

	<u>0</u>
Increase (decrease) in cash	204,804
Beginning cash balance	<u>508,617</u>
Ending cash balance	<u>\$ 713,421</u>

The accompanying notes are an integral part of the financial statements

BRIDGES OF WILLIAMSON COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

BRIDGES of Williamson County (BRIDGES) was incorporated October 1988, in accordance with the Tennessee General Corporation Act. Its primary purpose is to serve area women, men, and children affected by domestic violence ensuring a safe transition to successful independent community living through education, intervention, and case management. Supportive services include management and general expenses not directly identifiable to any program, but indispensable to these activities and to the program's existence. BRIDGES is governed by a board of directors.

Basis of Accounting

The financial statements of BRIDGES have been prepared on the accrual basis of accounting and accordingly reflect all significant accounts receivable, accounts payable, and other liabilities.

Basis of Presentation

Financial statement presentation follows US generally accepted accounting principles which require BRIDGES to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. There were no net assets with donor restrictions at June 30, 2021.

- Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations.
- Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Accounts Receivable

Accounts receivables are stated at their net realizable value. It is the opinion of management that all accounts receivable at fiscal year-end are collectible.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents are defined as all cash on hand and deposited in FDIC insured bank accounts with an original maturity of three months or less.

BRIDGES OF WILLIAMSON COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Donations of Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as donor restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, BRIDGES reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. BRIDGES reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Donated Services

BRIDGES records donated services when they create or enhance a non-financial asset or for specialized skills provided by entities or persons possessing those skills that would be purchased if they were not donated.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated to their appropriate category of program services or supporting services upon recording vendor payables or direct payment of invoices based upon benefit received. For more general expenses, allocation is based upon natural classifications such as time & effort and square footage utilized.

Fair Values of Financial Instruments

Financial instruments of BRIDGES include cash, short-term trade accounts receivable, and trade accounts payable. Management estimates that the fair value of all financial instruments at fiscal year-end do not differ materially from the carrying values of the financial instruments recorded in the accompanying balance sheet.

Planned Major Maintenance Activities

Costs or fair market value for donated items and services for planned major maintenance in excess of \$5,000 are treated as additions to property and equipment and depreciated over their estimated useful lives using the straight-line method. During the current fiscal year, there were no planned major maintenance activities.

BRIDGES OF WILLIAMSON COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Income Tax Status

BRIDGES of Williamson County is an organization, which is not considered a private foundation and is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. BRIDGES of Williamson County's Form 990, Return of Organization Exempt from Income Tax, for the years ending June 30, 2019, 2020 and 2021 are subject to examination by the IRS, generally for 3 years after they were filed. There are no tax examinations currently in process. Management has concluded that BRIDGES has taken no uncertain tax positions as of June 30, 2021. Therefore, no provision for income taxes has been included in the BRIDGES's financial statements.

Promises to Give

Unconditional promises to give are recognized as revenue or a gain in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful life of assets and is reflected as an expense in the Statement of Functional Expenses.

Revenue and Support – With and Without Donor Restrictions

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions.

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BRIDGES OF WILLIAMSON COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - CASH AND CREDIT RISK

All cash and certificate of deposits of BRIDGES are deposited in FDIC insured banks. BRIDGES had deposits at one bank exceeding the \$250,000 FDIC deposit insurance coverage by \$10,363 at June 30, 2021.

NOTE 3 - COMMITMENTS AND CONTINGENCIES

BRIDGES is subject to claims and lawsuits, which arise, primarily in the ordinary course of business. BRIDGES does not anticipate any material losses with respect to such existing or pending claims and lawsuits at fiscal year-end.

NOTE 4 – PROPERTY AND EQUIPMENT

Acquisitions of property and equipment more than \$1,000 are capitalized. Property and equipment are carried at cost or, if donated, at the appropriate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Property and equipment at June 30, 2021, are as follows:

Land	\$ 100,000
Building and improvements	945,926
Equipment and furniture	164,078
Accumulated depreciation	<u>(543,818)</u>
	<u>\$ 666,186</u>

NOTE 5 - PAYROLL PROTECTION PROGRAM LOAN

Due to the Covid-19 outbreak, the Federal government passed the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) that included the Small Business Administration (SBA) Paycheck Protection Program (PPP).

BRIDGES applied for and received on April 28, 2020, an \$88,500 loan from the PPP. Interest will accrue at a rate of 1.00% per year, beginning on April 28, 2020. The SBA forgave the principal and accrued interest for this loan on November 21, 2020. The loan forgiveness is reported as a contribution with donor restrictions in the Statement of Activities.

BRIDGES OF WILLIAMSON COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 - FINANCIAL DEPENDENCE

BRIDGES is substantially funded, 95% by grants from federal, state, and local government agencies. A significant reduction in the level of this support, if this were to occur, may have an effect in BRIDGES's programs and activities. In addition, the grants prescribe allowable expenditure guidelines with which BRIDGES must comply. The grants are received prospectively, subject to subsequent verification of the incurring of allowable expenditures or provision of qualifying services.

NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects BRIDGES's financial assets as of the balance sheet date, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year-end	\$ 840,372
Less: Those unavailable for general expenditures within one year, due to:	
Donor restrictions or board designations	<u> 0</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 840,372</u>

NOTE 8 – COVID 19 OUTBREAK

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of corona virus originating in Wuhan, China (the Covid-19 outbreak) and the risk to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the Covid-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the Covid-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on BRIDGES's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the Covid-19 out-break and the global responses to curb its spread, BRIDGES is not able to fully estimate the effects of the Covid-19 outbreak on its results of operations, financial condition, or liquidity for the fiscal year 2022.

BRIDGES OF WILLIAMSON COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – NET POSITION RE-STATED

During the year ended June 30, 2021, management discovered that land purchased in 2017 that was donated to the Door Step Project had been recorded as a fixed asset on BRIDGES books. To correct this error, the beginning property & equipment and beginning net position have been re-stated by \$58,000.

Property & Equipment – beginning	\$ 666,186
Less: land donated to Door Step Project	<u>(58,000)</u>
Property & Equipment – beginning re-stated	<u>\$ 608,186</u>
Net Assets Without Donor Restrictions – beginning	\$ 967,904
Less: land donated to Door Step Project	<u>(58,000)</u>
Net Assets Without Donor Restrictions – re-stated	<u>\$ 909,904</u>

NOTE 10 - DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through January 15, 2022, the date which the financial statements were available to be issued. No other material subsequent events have occurred that need to be disclosed.

Linda Crockett

From: noreply@link2gov.com
Sent: Thursday, January 27, 2022 9:03 AM
To: Linda Crockett
Subject: Payment Confirmation - Secretary of State

Thank you for your payment to the Tennessee Secretary of State Business Filings online services. Your confirmation details are below. Please save or print this email for your records.

The filing fee will appear on your statement labeled 'TN SOS BUSINESS'. The service fee will appear on your statement labeled 'ServiceFee TN BUS'.

Transaction Type: TN SOS Certificate
Filing Fee Paid: 20.00
Service Fee: 0.46
Date: 01/27/2022 09:02 AM
Confirmation Number: 3822444396
Payment Type: VI

Document Number	Description	Payment Amount
0456998	Certificate of Existence ID 0456998	\$20.00
		Payment Amount: \$20.00
		Service Fee: \$0.46
		Total Payment Amount: \$20.46

If you have any questions about this transaction, contact the Secretary of State Business Filings Section at (615) 741-2286 or TNSOS.CORPINFO@tn.gov

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: SEP 15 2003

BRIDGES OF WILLIAMSON COUNTY
PO BOX 1592
FRANKLIN, TN 37065

Employer Identification Number:
62-1753127
DLN:
17053221731083
Contact Person:
L. WAYNE BOTHE ID# 31462
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated December 1998, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity during an advance ruling period.

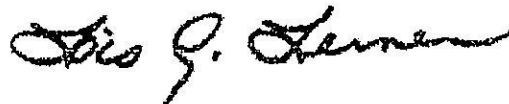
Based on our records and on the information you submitted, we are pleased to confirm that you are exempt under section 501(c)(3) of the Code, and you are classified as a public charity under the Code section listed in the heading of this letter.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading between 8:00 a.m. - 6:30 p.m. Eastern time.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: SEP 15 2003

BRIDGES OF WILLIAMSON COUNTY
PO BOX 1592
FRANKLIN, TN 37065

Employer Identification Number:
62-1753127

DLN:

17053221731083

Contact Person:

L. WAYNE BOTHE

ID# 31462

Contact Telephone Number:

(877) 829-5500

Public Charity Status:

170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated December 1998, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity during an advance ruling period.

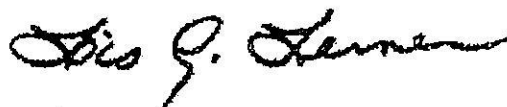
Based on our records and on the information you submitted, we are pleased to confirm that you are exempt under section 501(c)(3) of the Code, and you are classified as a public charity under the Code section listed in the heading of this letter.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading between 8:00 a.m. - 6:30 p.m. Eastern time.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
February 18, 2022

615-741-2555
Tom.Riley@tn.gov

Linda Crockett
Bridges of Williamson County
P.O. Box 1592
Franklin, TN 37065

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Bridges of Williamson County - CO3882
Registration Expiration Date: **December 31, 2022**

Dear Linda Crockett:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been approved.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS *Form 990*, *Form 990EZ*, or *990N* for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

JC:CO3882



Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

LINDA CROCKETT
LINDA CROCKETT
P.O. BOX 1592
FRANKLIN, TN 37065

February 18, 2022

Request Type: Certificate of Existence/Authorization
Request #: 0460754

Issuance Date: 02/18/2022
Copies Requested: 1

Document Receipt

Receipt #: 006940569

Filing Fee: \$20.00

Payment-Credit Card - State Payment Center - CC #: 3823849519

\$20.00

Regarding: BRIDGES OF WILLIAMSON COUNTY

Filing Type: Nonprofit Corporation - Domestic

Formation/Qualification Date: 09/21/1998

Status: Active

Duration Term: Perpetual

Business County: WILLIAMSON COUNTY

Control #: 357731

Date Formed: 09/21/1998

Formation Locale: TENNESSEE

Inactive Date:

CERTIFICATE OF EXISTENCE

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that effective as of the issuance date noted above

BRIDGES OF WILLIAMSON COUNTY

- * is a Corporation duly incorporated under the law of this State with a date of incorporation and duration as given above;
- * has paid all fees, interest, taxes and penalties owed to this State (as reflected in the records of the Secretary of State and the Department of Revenue) which affect the existence/authorization of the business;
- * has filed the most recent annual report required with this office;
- * has appointed a registered agent and registered office in this State;
- * has not filed Articles of Dissolution or Articles of Termination. A decree of judicial dissolution has not been filed.

Tre Hargett
Secretary of State

Processed By: Cert Web User

Verification #: 051807721



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Community Child Care Center

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

For families who have experienced financial hardship, funds will be used to assist those families with paying their child's tuition

Funds will be used to provide a pay increase to teachers who have shown resilience and dedication to the center by working everyday through the pandemic and beyond

Funds will be used to pay for training for our educators and hosting in house guest speakers and entertainment for our children

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

Because we are a non-profit center our daycare fees are affordable- but some families fall behind on their fees causing a financial decline for us- these funds will help the families catch up on their outstanding balances

It is no secret that educators are not paid enough- we really want to celebrate our teachers with providing a pay increase especially during these difficult times

Our teachers are required to receive yearly training which comes with a cost- these funds will assist us with providing our teachers with the most recent educational resources and provide fun and laughter to our children by having in-house guests to entertain and uplift our children



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Community Child Care Center

4. What is your fiscal year (ex. July 1 to June 30)? July 1st to June 30th
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☒ monthly ☐ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin? 6%

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Tara Blue 02/18/2022
Printed Name of (CEO/President/Executive Director/Board Chair) Date

Tara Blue 2/18/22
Signature of (CEO/President/Executive Director/Board Chair) Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Community Child Care Center

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



COMMCHI-01

SROY

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/20/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Chappell, Smith & Associates 1006 Meryllinger Court PO Box 681209 Franklin, TN 37067	CONTACT NAME: Susan Roy
	PHONE (A/C, No, Ext): (615) 435-8300 FAX (A/C, No):
	E-MAIL ADDRESS: sroy@chappellsmith.com
	INSURER(S) AFFORDING COVERAGE
	INSURER A: Markel Insurance Co. NAIC # 38970
	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

INSURED
Community Child Care Center
Suite 1270
129 West Fowlkes Street
Franklin, TN 37064

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:	X		CCP20001512-09	7/12/2021	7/12/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	AUTOMOBILE LIABILITY ☐ ANY AUTO OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS ONLY			CCP20001512-08	7/12/2020	7/12/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Property			CCP20001512-09	7/12/2021	7/12/2022	Contents 100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Certificate Holder is named as Additional Insured as respects to General Liability.

CERTIFICATE HOLDER

CANCELLATION

City of Franklin - Finance & Administration
Attn: Angelique Franzoni
109 - 3rd Avenue, South
Franklin, TN 37064

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



COMMCHI-01

SROY

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/20/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

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PRODUCER Chappell, Smith & Associates 1006 Merylinger Court PO Box 681209 Franklin, TN 37067		CONTACT NAME: Susan Roy PHONE (A/C, No, Ext): (615) 435-8300 FAX (A/C, No): E-MAIL ADDRESS: sroy@chappellsmith.com	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Markel Insurance Co.	
		INSURER B:	
		INSURER C:	
		INSURER D:	
		INSURER E:	
		INSURER F:	

INSURED
Community Child Care Center
Suite 1270
129 West Fowlkes Street
Franklin, TN 37064

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PROJECT ☐ LOC OTHER:	X		CCP20001512-09	7/12/2021	7/12/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	☐ AUTOMOBILE LIABILITY ☐ ANY AUTO OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS ONLY			CCP20001512-08	7/12/2020	7/12/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	☐ UMBRELLA LIAB ☐ EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	☐ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	☐ Property			CCP20001512-09	7/12/2021	7/12/2022	Contents 100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Franklin is listed as additional insured with respects to general liability when required by written contract on a primary non-contributory basis.

CERTIFICATE HOLDER

CANCELLATION

City of Franklin Parks
1368 Eastern Flank Circle
Franklin, TN 37064

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



Community Child Care

Board of Directors

Name	Position Held	Contact Information	Term Date
Shedrick Wright	President	615 218 9698	2024
Jason Kaplan	Vice President	615 939 1491	2023
Mary Waldron	Secretary	615 930 8883	2023
Laura McGregor	Finance	931 607 4380	2023
Kathy Turner	HR Committee	615 480 3404	2023
Pamela Bright	Advisory Board	615 973 6881	NA
Kevan Dunn	Events Committee	615 806 1036	2023
Anthony Bills	HR Committee	615 775 7525	2023
Andy Maloney	Advisory Board	615 385 5944	NA
Anthony Thomas	Financial Committee	832 549 1813	2024
Dr. Rena Hall	Events Committee	901 359 3359	2024

COMMUNITY CHILD CARE, INC.
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2021 AND 2020



BELLENFANT
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

COMMUNITY CHILD CARE, INC.

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Statements of Functional Expenses	6
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BELLENFANT

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Child Care, Inc.
Franklin, Tennessee

We have audited the accompanying financial statements of Community Child Care, Inc., which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position Community Child Care, Inc. as of June 30, 2021 and 2020, 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.

Bellenfant, PLLC

Nashville, Tennessee
August 25, 2021

COMMUNITY CHILD CARE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

ASSETS

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 543,897	\$ 549,862
County Government Receivable	7,508	7,508
Child Care Food Program Receivable	1,827	2,134
Child Care Assistance Receivable	1,202	-
Prepaid Expenses	1,800	1,800
	<u>556,234</u>	<u>561,304</u>
Total Current Assets		
	<u>556,234</u>	<u>561,304</u>
FIXED ASSETS		
Furniture and Equipment	89,176	85,483
Less: Accumulated Depreciation	<u>(58,244)</u>	<u>(47,263)</u>
	<u>30,932</u>	<u>38,220</u>
Total Fixed Assets		
	<u>30,932</u>	<u>38,220</u>
Total Assets	<u><u>\$ 587,166</u></u>	<u><u>\$ 599,524</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 2,192	\$ 487
SBA PPP Loan Payable	<u>-</u>	<u>75,000</u>
	<u>2,192</u>	<u>75,487</u>
Total Current Liabilities		
	<u>2,192</u>	<u>75,487</u>
NET ASSETS		
Net Assets Without Donor Restrictions	<u>584,974</u>	<u>524,037</u>
	<u>584,974</u>	<u>524,037</u>
Total Net Assets		
	<u>584,974</u>	<u>524,037</u>
Total Liabilities and Net Assets	<u><u>\$ 587,166</u></u>	<u><u>\$ 599,524</u></u>

The independent auditor's report and accompanying notes are an integral part of these financial statements.

COMMUNITY CHILD CARE, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

SUPPORT AND REVENUE	<u>2021</u>	<u>2020</u>
Tennessee Department of Human Services		
Child Care Food Program	\$ 18,213	\$ 29,654
Child Care Assistance	222,120	134,141
Total Tennessee Department of Human Services	240,333	163,795
United Way	165,000	165,000
Day Care Fees	48,189	179,638
City of Franklin	32,583	29,140
Williamson County	7,508	7,508
Contributions	56,158	38,646
TN Housing Grant	12,800	-
Interest	122	3,017
Computer Center	-	1,155
SBA PPP Loan Forgiveness	75,000	-
Total Support and Revenue	637,693	587,899
EXPENSES		
Program Services	462,017	476,060
Management and General	86,469	89,168
Fundraising	28,270	41,050
Total Expenses	576,756	606,278
Change in Net Assets	60,937	(18,379)
Net Assets, Beginning of year	524,037	542,416
Net Assets, End of year	<u>\$ 584,974</u>	<u>\$ 524,037</u>

The independent auditor's report and accompanying notes are an integral part of these financial statements.

COMMUNITY CHILD CARE, INC.
STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2021

	Program Services	Management and General	Fundraising	Total
Salaries	\$ 330,490	\$ 61,967	\$ 20,655	\$ 413,112
Payroll Taxes	24,022	4,504	1,502	30,028
Retirement	7,819	1,466	489	9,774
Payroll Processing Fees	2,298	431	144	2,873
Supplies	39,371	7,382	2,461	49,214
Employee Education	2,102	394	131	2,627
Computer Center	128	24	8	160
Maintenance and Cleaning	1,241	233	77	1,551
Professional Services	7,492	1,405	468	9,365
Advertising	692	130	43	865
Utilities	8,478	1,590	530	10,598
Special Events	14,262	2,674	891	17,827
Insurance	6,106	1,145	382	7,633
Taxes and Licenses	80	15	5	100
Dues and Subscriptions	3,841	720	240	4,801
Rent	1,440	270	90	1,800
Other	2,518	472	154	3,144
Fundraising	303			303
Total Expenses before Depreciation	452,683	84,822	28,270	565,775
Depreciation	9,334	1,647		10,981
Total Expenses	\$ 462,017	\$ 86,469	\$ 28,270	\$ 576,756

The independent auditor's report and accompanying notes are an integral part of these financial statements.

COMMUNITY CHILD CARE, INC.
STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2020

	Program Services	Management and General	Fundraising	Total
	\$	\$	\$	\$
Salaries	350,294	65,680	21,894	437,868
Payroll Taxes	26,596	4,987	1,662	33,245
Retirement	8,765	1,643	548	10,956
Payroll Processing Fees	2,278	427	142	2,847
Supplies	34,319	6,435	2,145	42,899
Employee Education	4,478	840	280	5,598
Computer Center	640	120	40	800
Maintenance and Cleaning	160	30	10	200
Professional Services	8,128	1,524	508	10,160
Advertising	424	80	26	530
Utilities	9,090	1,704	568	11,362
Special Events	3,341	626	209	4,176
Insurance	12,804	2,401	800	16,005
Taxes and Licenses	298	56	19	373
Dues and Subscriptions	3,210	602	201	4,013
Training and Seminars	94	18	5	117
Rent	1,440	270	90	1,800
Other	1,194	224	74	1,492
Fundraising	-	-	11,829	11,829
Total Expenses before Depreciation	467,553	87,667	41,050	596,270
Depreciation	8,507	1,501	-	10,008
Total Expenses	\$ 476,060	\$ 89,168	\$ 41,050	\$ 606,278

The independent auditor's report and accompanying notes are an integral part of these financial statements.

COMMUNITY CHILD CARE, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2021</u>	<u>2020</u>
Change in Net Assets	\$ 60,937	\$ (18,379)
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation	10,981	10,008
SBA PPP Loan (Forgiveness) Issuance	(75,000)	-
(Increase) Decrease in:		
Child Care Assistance Receivable	(1,202)	-
Child Care Food Program Receivable	307	699
Prepaid Expenses	-	1,800
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	<u>1,705</u>	<u>(14,189)</u>
Net Cash Provided (Used) by Operating Activities	<u>(2,272)</u>	<u>(20,061)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase) Disposal of Fixed Assets	<u>(3,693)</u>	<u>(6,683)</u>
Net Cash Provided (Used) by Investing Activities	<u>(3,693)</u>	<u>(6,683)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
SBA PPP Loan (Forgiveness) Issuance	<u>-</u>	<u>75,000</u>
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>75,000</u>
Net Increase (Decrease) in Cash	(5,965)	48,256
Cash and Cash Equivalents, Beginning of year	<u>549,862</u>	<u>501,606</u>
Cash and Cash Equivalents, End of year	<u>\$ 543,897</u>	<u>\$ 549,862</u>

The independent auditor's report and accompanying notes are an integral part of these financial statements.

COMMUNITY CHILD CARE, INC.
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

Community Child Care, Inc. ("the Organization"), located in Franklin, Tennessee, is a nonprofit corporation organized to provide child care services to low-income families.

Basis of Presentation

Community Child Care, Inc. prepares its financial statements and maintains its financial accounting records on the accrual basis of accounting. Revenue is generally recognized when earned. Expenses are generally recognized when incurred.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic related to *Presentation of Financial Statements of Not-for-Profit Organizations*. Under the FASB Accounting Standards Codification, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - These are net assets that are not subject to donor-imposed stipulations. The Organization had \$584,974 and \$524,037 of net assets without donor restrictions as of June 30, 2021 and 2020, respectively.

Net assets with donor restrictions - These are net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. This classification also includes net assets subject to donor-imposed stipulations that may be maintained permanently by the Organization. Generally, donors of these assets permit the Organization to use all or part of the income earned for general or specific purposes. The Organization had no net assets with donor restrictions as of June 30, 2021 and 2020.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all certificates of deposit purchased with a maturity of twelve months or less to be cash equivalents. Certificates of deposit with original maturities exceeding twelve months are classified as investments and stated at fair value.

COMMUNITY CHILD CARE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

The Organization accounts for contributions in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification topic relating to *Accounting for Contributions Received and Contributions Made*. In accordance with the FASB Accounting Standards Codification, contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restrictions are reported as increases in net assets with donor restrictions based on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. The Organization had no contributions with restrictions as of June 30, 2021 and June 30, 2020.

Fair Values of Financial Instruments

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments:

Cash, cash equivalents, certificates of deposit, accounts receivable, and accounts payable: The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

Accounts Receivable

The Organization considers accounts receivable to be fully collectible; accordingly, no allowances for doubtful accounts is required. If accounts become uncollectible, they will be charged to operations when that determination is made.

Revenue Recognition

Revenue Recognition - The Organization's revenue recognition policies are as follows:

Program Service Fees - Daycare fees are recorded as revenue in the period that the related services are rendered.

Contract Balances - There were accounts receivable of \$10,537 and \$9,642 as of the years ended June 30, 2021 and 2020, respectively. The balances per contract are disclosed on the Statements of Financial Position. There was no deferred revenue for the Organization as of both June 30, 2021 and 2020.

COMMUNITY CHILD CARE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Performance Obligations and Revenue Recognition - A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account under ASC 606. The transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Organization's revenue within the scope of ASC 606 consists of program service fees. The contract obligations related to these services are satisfied when the services are rendered.

Practical Expedients and Exemptions - There are several practical expedients and exemptions allowed under ASC 606 that impact timing of revenue recognition and disclosures. There were no practical expedients or exemptions that were applied for the years ending June 30, 2021 and June 30, 2020.

Revenues from non-exchange transactions (contributions and government grants) may be subject to conditions, in the form of both a barrier to entitlement and a refund of amounts paid (or a release from obligation to make future payments). Revenues from conditional non-exchange transactions are recognized when the barrier is satisfied.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Equipment

Equipment is stated at cost for purchased equipment and at fair market value on the date received for contributed equipment less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of five years for equipment. Assets purchased with a cost of less than \$500 are expensed to minor equipment.

COMMUNITY CHILD CARE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principle

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers*. ASU 2014-09 clarifies the principles for recognizing revenue and develops a common revenue standard under U.S. GAAP under which an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 was applied retroactively to the year ended June 30, 2020 and was also effective for the fiscal year ending June 30, 2021.

The Organization determined that there was no cumulative effect adjustment to net assets upon adoption of the new revenue standard as of July 1, 2019. Under ASC 606, revenue is recognized when the Organization transfers the promised goods or services to a customer in an amount that reflects consideration that is expected to be received for those goods and services.

Accounting Policies for Future Pronouncements

In February 2016, FASB issued ASU 2016-02, *Leases*. The standard requires all leases with lease terms over 12 months to be capitalized as a right of use asset and lease liability on the balance sheet at the date of lease commencement. Leases will be classified as either finance or operating. This distinction will be relevant for the pattern of expense recognition in the income statement. This standard will be effective for the fiscal year ending June 30, 2023. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

In September 2020, FASB issued ASU 2020-07, *Gifts-In-Kind Presentation and Disclosure*. The standard requires that all gifts-in-kind to be disclosed as a separate line item on the Statement of Activities as well as a disclosure in the notes of the financial statements segregating and disclosing each category of gifts-in-kind received during the fiscal year. This distinction will provide more transparency on non-monetary revenues received by the Organization. This standard will be effective for the fiscal year ending June 30, 2022. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

2. FEDERAL INCOME TAX STATUS

The Organization has been determined by the Internal Revenue Service to be exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for income taxes.

COMMUNITY CHILD CARE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

2. FEDERAL INCOME TAX STATUS (Continued)

The Organization files a U.S. Federal Form 990-*Return of Organization Exempt from Income Tax*. The Organization's returns for the years prior to fiscal year ended June 30, 2018 are no longer open for examination.

The Organization has evaluated its tax positions in accordance with the Codification Standard relating to Accounting for Uncertainty in Income Taxes. The Organization believes that it has taken no uncertain tax positions.

3. GRANT REVENUE RECEIVABLE

Grant revenue receivable consists of receivables of the annual budgeted amount from Williamson County, Tennessee and Child Care Food Program, and the Child Care Assistance Program funded by the Tennessee Department of Human Services.

4. PENSION PLAN

The Organization has a defined contribution pension plan for all eligible employees. The employer contributes up to 6% of each participants salary, depending on the employee's length of service. Employer contributions for the years ended June 30, 2021 and 2020 were \$9,774 and \$10,956, respectively.

5. CONCENTRATIONS OF RISK

The financial condition of all depository banks, including those with balances less than the Federal Deposit Insurance Corporation's \$250,000 insured limit, is continually reviewed by the board. The Fifth Third Operating account is currently exceeding the FDIC insured limit by \$288,193.

6. SIGNIFICANT SOURCE OF REVENUE RISK

The Organization receives about 38% and 28% of its revenue from the State of Tennessee Department of Human Services and about 26% and 31% from United Way for child care assistance and child care food programs for the years ended June 30, 2021 and 2020, respectively. A major reduction of funds by the grantor agencies would have a significant effect on future operations.

7. CONTINGENCY

Expenditures related to government contracts are subject to adjustment based upon review by the granting agencies. The Organization does not anticipate that adjustments, if any, arising from such reviews will have a material effect on the financial statements.

COMMUNITY CHILD CARE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

8. PAYCHECK PROTECTION PROGRAM LOAN PAYABLE

In response to the pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and it was signed into law on March 27, 2020. The CARES Act implemented the Payroll Protection Program (PPP), which provides loans to small businesses and charitable organizations to keep their employees on payroll. The PPP is administered by the Small Business Administration (SBA). Community Child Care obtained a SBA PPP Loan for \$75,000 on May 4, 2020. The SBA PPP Loan was forgiven in full on March 15, 2021.

9. AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of June 30, 2021 and 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date:

	<u>2021</u>	<u>2020</u>
Financial assets, at year-end	\$ 543,897	\$ 549,862
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 543,897</u>	<u>\$ 549,862</u>

There is an adequate amount of financial assets available as of June 30, 2021 and 2020. The Organization effectively manages its liquid available resources to meet cash needs for general expenditures within one year of the balance sheet date.

10. SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 25, 2021 which is the date the financial statements were available to be issued.

Internal Revenue Service

Date: August 30, 2005

COMMUNITY CHILD CARE INC
PO BOX 681205
FRANKLIN TN 37068

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:

Alvin Gadd 31-07339

Customer Service Representative

Toll Free Telephone Number:

8:30 a.m. to 5:30 p.m. ET

877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

62-0852972

Dear Sir or Madam:

This is in response to your request of August 30, 2005, regarding your organization's tax-exempt status.

In March 1972 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

Janna K. Skufca

Janna K. Skufca, Director, TE/GE
Customer Account Services

Tennessee Secretary of State

Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
January 10, 2022

615-741-2555
Tom.Riley@tn.gov

Tara Blue
Community Child Care, Inc.
129 West Fowlkes Street, Suite 1270
Franklin, TN 37064

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Community Child Care, Inc. - CO4568
Registration Expiration Date: **December 31, 2022**

Dear Tara Blue:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS Form 990, Form 990EZ, or 990N for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

NNS:CO4568



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Signature of (CEO/President/Executive Director/Board Chair)

Date

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

CHP is requested \$15,000. The proposed use of funds is serving City of Franklin citizens who are workforce, who are low-income, who are elderly and /or who have disabilities by creating affordable homes through new construction or rehabilitation. The funding would be utilized by both our Single-Family and Multi-Family Development Programs, specifically with projects located within the City of Franklin. CHP has had an ongoing Development Program for over fifteen years through various avenues.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

CHP anticipates using the City of Franklin funds for administrative, operational and project management costs incurred by the Single-Family and Multi-Family Development Programs. Generally examples would include overhead expenses as milage, office supplies, IT management and software, pre-development costs and carrying costs. The City of Franklin funding would be essential for the feasibility of development projects this fiscal year. Other grant revenue sources received by CHP are designed to project costs related to the acquisition, rehabilitation and construction of affordable housing.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☒ monthly ☐ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

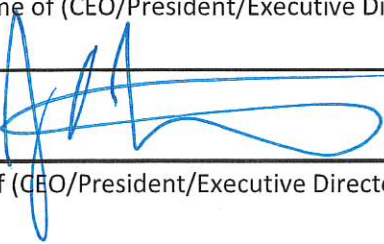
Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Wayne Weaver	03/10/2022
---------------------	-------------------

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

	3/10/22
---	----------------

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Community Housing Partnership of Williamson County

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☐ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☒ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/5/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Tucker Agency, LLC 21 White Bridge Pike ste 201, Nashville TN 37205		CONTACT NAME: PHONE (A/C, No, Ext): 6155904330 FAX (A/C, No): 6156307401 E-MAIL ADDRESS: info@tuckertn.com	
INSURED Community Housing Partnership of Williamson County 129 W. Fowlkes ST, #124 Franklin TN 37064		INSURER(S) AFFORDING COVERAGE INSURER A: WESCO INS CO INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N ☐	N / A	WWC3531815	06/11/2021	06/11/2022	PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate of Insurance

CERTIFICATE HOLDER**CANCELLATION**

City of Franklin 109 3rd Ave South Franklin TN 37064	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Will Tucker
--	--

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CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)
08/02/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER State Farm ED UNDERWOOD, STATE FARM 115 5TH AVE NORTH FRANKLIN, TN 37064	CONTACT NAME: ED UNDERWOOD PHONE (A/C, No, Ext): 615-771-0700 FAX (A/C, No): E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: State Farm Fire and Casualty Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
INSURED COMMUNITY HOUSING PARTNERSHIP OF WILLIAMSON COUNTY 129 W FOWLKES ST STE 124 FRANKLIN, TN 37064	NAIC # 25143

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
X	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PROJECT ☐ LOC OTHER:			92-EB-F740-4	08/26/2021	08/26/2022	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ 100,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
X	FIDELITY BOND			92-ED-Y420-1	03/04/2021	03/04/2022	\$100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

THE CITY OF FRANKLIN 109 3RD AVE SOUTH FRANKLIN, TN 37064	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	--

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Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8
#	Name	Title	Individual trustee or director	Position	Average hours per week	Reportable compensation from company	Reportable compensation from company
				Officer		W2	1099
1	Lori Clemons	Vice Chair	x	x	1	0	0
2	Ryan McWaters	Board Secretary	x	x	1	0	0
3	Kevin Riggs	Board Director	x		1	0	0
4	Lane Rhodes	Board Chair	x		1	0	0
5	Clay Barnes	Board Director	x		1	0	0
6	Lance Jordan	Board Director	x		1	0	0
7	Robert Waagelein	Board Treasurer	x	x	1	0	0
8	Duple Travillion	Board Director	x		1	0	0
9	Michael Haarbauer	Board Director	x		1	0	0
10	Keith Allen	Board Director	x		1	0	0



**Annual Reporting Form for Nonprofit Organizations
Seeking Financial Assistance from Local Governments**

Community Housing Partnership of Williamson County

Name of Nonprofit Organization

129 W Fowlkes St, Ste. 124	Franklin	Williamson TN	37064
Street Address	City	County	State Zip

Annual Financial Report of Cash Receipts, Disbursements, and Balances

For the Fiscal Year from July 1 **through** June 30

Report Required by Title 5, Chapter 9, Part 1,
And Title 6, Chapter 54, Part 1, *Tennessee Code Annotated*

Receipts

Federal Grants	\$ 252,000.00	
State Grants	87,000.00	
Financial Assistance from Local Governments	176,000.00	
Donations and Gifts from Citizens		
Membership Dues	0.00	
Fees/Charges for Services	0.00	
Fundraising Events	0.00	
Sale of Assets	1,970,936.00	
Loans-Borrowed Funds	233,570.40	
Investment Income	107,102.80	
Other Receipts	489,009.64	
Total Receipts		\$ 3,315,618.84 (A)

Disbursements

Grants and Other Assistance Paid to Other Organizations and Individuals	\$ 195,896.53
Salaries and Wages	474,964.10
Employee Benefits	53,320.03
Payroll Taxes	35,060.83
Fees for Services (non-employee)	159,472.80
Advertising and Promotion	170.00
Office Expenses	18,991.19
Leases/Rentals	43,813.52
Maintenance and Repairs	80,884.26
Supplies	12,905.53
Travel	0.00

Utilities	0.00	
Insurance	34,088.43	
Conferences, Conventions and Meetings	1,178.01	
Interest		
Purchase of Capital Assets – Vehicles and Equipment	0.00	
Purchase of capital Assets – Property and Buildings	1,574,959.08	
Loan Payments		
Other	229,164.83	
Total Disbursements		\$ 2,914,869.14 (B)

Cash Receipts Less Disbursements for the fiscal Year (A-B=C) \$ 400,749.70 (C)

Cash Balance - at the beginning of the fiscal year \$ 403,945.79 (D)

Cash Balance - at the end of the fiscal year (C+D=E) \$ 804,695.49 (E)

Details of Cash Balance - at the end of the fiscal year

Cash on Hand	\$ 0.00	
Cash in Bank – Checking	804,695.49	
Cash in Bank – Savings Accounts		
Cash in Bank – Certificates of Deposits		
Other Cash		
Total Cash - at the end of the fiscal year		\$ 804,695.49 (E)

Please Explain Proposed Use of the Financial Assistance from Local Governments.

All funds requested from the City of Franklin will be used to promote the general welfare of Franklin residents and to maintain and increase affordable housing opportunities in the municipality.

I certify that this report accurately presents the cash receipts, disbursements, and balances of the Community Housing Partnership of Williamson County for the fiscal year noted above.

Name of Nonprofit Organization

Person Preparing Report

Carmen Oprea

Printed Name

Signature

Phone Number 615-905-8957

Email Address coprea@chpwc.org

Date 03/10/2022

Community Housing Partnership of Williamson County

Financial Statements
For the Year Ended June 30, 2021

Community Housing Partnership of Williamson County
Financial Statements
For the Year Ended June 30, 2021

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Independent Auditor's Report

Board of Directors
Community Housing Partnership of Williamson County

Report on the Financial Statements

We have audited the accompanying financial statements of Community Housing Partnership of Williamson County (the Organization), which comprise the statement of financial position as of June 30, 2021, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Community Housing Partnership of Williamson County as of June 30, 2021, and the results of its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
December 14, 2021

Brentwood • Dickson • Goodlettsville
Mt. Juliet • Murfreesboro • Nashville | TN

www.bcpas.com

Community Housing Partnership of Williamson County
Statement of Financial Position
June 30, 2021

Assets

Cash	\$ 463,499
Accounts receivable, net	9,486
Investments	341,196
Grants receivable	7,500
Inventories	6,707,724
Escrow deposits	28,176
Property and equipment, net	3,910,634
Loans receivable, net	75,830
Total assets	<u>\$ 11,544,045</u>

Liabilities and Net Assets

Liabilities

Accounts payable	\$ 39,279
Accrued expenses	3,415
Tenant deposits	16,531
Promises to give obligation, net	31,197
Lines of credit	452,635
Refundable advances	767,754
Long-term debt	7,351,684
Total liabilities	<u>8,662,495</u>

Net assets

Without donor restrictions	2,881,550
With donor restrictions	-
Total net assets	<u>2,881,550</u>
Total liabilities and net assets	<u>\$ 11,544,045</u>

Community Housing Partnership of Williamson County
Statement of Activities For the Year Ended June 30, 2021

	Without donor restrictions	With donor restrictions	Total
Revenues and Support			
Grants	\$ -	\$ 514,744	\$ 514,744
Contributions	-	3,040	3,040
In-kind contributions	10,140	-	10,140
Rental income	476,086	-	476,086
Home sales	2,000,959	-	2,000,959
Other income	203,549	-	203,549
Interest income	11,008	-	11,008
Unrealized gain (loss) on investment	51,770	-	51,770
Realized gain (loss) on investment	44,325	-	44,325
Net assets released from restriction	598,514	(598,514)	-
Total revenues and support	3,396,351	(80,730)	3,315,621
Expenses			
Program services	2,734,081	-	2,734,081
Management and general	180,788	-	180,788
Total expenses	2,914,869	-	2,914,869
Change in net assets	481,482	(80,730)	400,752
Net assets, beginning of year	2,614,654	80,730	2,695,384
Prior period adjustment	(214,586)	-	(214,586)
Net assets, end of year	\$ 2,881,550	\$ -	\$ 2,881,550

See notes to financial statements

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Community Housing Partnership of Williamson County

Statement of Functional Expenses For the Year Ended December 31, 2021

	Program services	Management and general	Total
Salaries and benefits	\$ 422,627	\$ 105,657	\$ 528,284
Payroll taxes	28,049	7,012	35,061
Total wage costs	450,676	112,669	563,345
Community rehabilitation	217,048	-	217,048
Cost of homes sold	1,574,959	-	1,574,959
Depreciation	158,232	11,989	170,221
Donations	1,750	-	1,750
Insurance	27,270	6,818	34,088
Interest	26,012	-	26,012
Maintenance and repairs	60,057	-	60,057
Mileage	1,652	413	2,065
Office and supplies	51,982	12,996	64,978
Professional services	126,532	31,633	158,165
Property taxes	20,827	-	20,827
Rent	10,325	2,581	12,906
Training, meetings, and dues	1,989	497	2,486
Other	4,770	1,192	5,962
	\$ 2,734,081	\$ 180,788	\$ 2,914,869

Community Housing Partnership of Williamson County
Statement of Cash Flows
For the Year Ended December 31, 2021

Cash, beginning of year	\$ 358,445
Cash flows from operating activities	
Change in net assets	400,752
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	170,221
Forgiveness of PPP loan	(78,563)
Forgiveness of refundable advances	(28,818)
Unrealized gain on investment	(51,770)
Change in:	
Accounts receivable, net	2,472
Grants receivable	96,205
Prepaid expenses	2,781
Inventories	(1,316,483)
Loans receivable, net	28,731
Accounts payable	(1,486)
Accrued expenses	(31,684)
Tenant deposits	1,500
Promises to give obligation, net	5,615
Net cash provided (used) by operating activities	(800,527)
Cash flows from investing activities	
Purchase of investments	(49,607)
Proceeds from the sale of investments	192,282
Purchase of property	(118,765)
Net cash provided (used) by investing activities	23,910
Cash flows from financing activities	
Principal payments on notes payable	(119,316)
Proceeds from notes payable	1,001,515
Net payments on lines of credit	(528)
Net cash provided (used) by financing activities	881,671
Net change in cash	105,054
Cash, end of year	\$ 463,499

Community Housing Partnership of Williamson County
Notes to Financial Statements
For the Year Ended June 30, 2021

Note 1. Summary of Significant Accounting Policies

Nature of Activities

Community Housing Partnership of Williamson County (the Organization) is a not-for-profit organization in Williamson County, Tennessee. The Organization's mission is to provide affordable housing in Williamson County to low- and moderate-income families.

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial Statement Presentation

Financial statement presentation is reported in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) for *Presentation of Financial Statements, Not-for-Profit Entities*. Under these provisions, net assets and revenues, gains, and losses are classified based on the absence or existence and nature of donor-imposed restrictions as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Cash and Cash Equivalents

The Organization defines its cash and cash equivalents to include only cash on hand, demand deposits, and all highly liquid investments with original maturities of three months or less from the date of acquisition. Certain cash may be reported as restricted because it is maintained in separate bank accounts and is restricted for use in community development. There are no cash equivalents.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable results primarily from tenant rent owed to the Organization. An allowance for credit losses is established based on review of outstanding receivables, management's historical experience, and economic conditions. Receivables are written off when a balance is determined to be uncollectible. The allowance is \$5,614 at year-end.

Community Housing Partnership of Williamson County
Notes to Financial Statements
For the Year Ended June 30, 2021

Note 1. Summary of Significant Accounting Policies

Inventories and Cost of Homes Sold

The Organization's inventories are made up of finished homes and lots under construction, which are recorded at cost. Accordingly, inventory costs include land acquisition, land development, and home construction costs. Construction overhead, interest, and closing costs are expensed as incurred, as the Organization does not believe that such costs generate or enhance resources that will be used in satisfying the performance obligations in the future. Homes held-for-sale are classified as inventories until delivered.

Cost of home sales includes the construction cost, which is the amounts paid through the closing date of the home, plus an accrual for costs incurred, but not yet paid.

Property and Equipment and Depreciation

The Organization's policy is to capitalize property and equipment over \$1,000. Purchased property and equipment is recorded at cost or estimated fair value, if donated. Depreciation is provided using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years. Repairs and maintenance are expensed as incurred.

Loans Receivable and Promises to Give Obligation

As part of its mission, the Organization sells homes at a price below market to individuals within the Williamson County community. As part of the sale of these homes, the Organization often issues a second mortgage on each home that is based on the difference between the appraised value of the home and the first mortgage selling price of the home. The loans are recorded at present value.

The Organization has promised to forgive certain HOME Program loans over a period of five years, which is recorded as a promises to give obligation at fair value at the date of award.

SBA PPP Loan

On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. The Organization received a loan in accordance with the Paycheck Protection Program (PPP) section of the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). US GAAP provides organizations with two alternatives for reporting the loan and any future forgiveness: 1) proceeds can be treated as *debt* and future forgiveness recognized as income when the loan or any portion thereof is formally discharged; or 2) proceeds can be treated as a *conditional contribution* where they recognize a refundable advance and derecognize the liability, and recognize income, as the conditions for forgiveness are substantially met or explicitly waived. The Organization has elected to treat the PPP loan as *debt*.

Grant Notes

The Organization has received several grants through the Tennessee Housing Development Agency's Tennessee Housing Trust Fund Competitive Grants Program for the acquisition and rehabilitation of rental housing to serve as transitional housing for low-income individuals. These grants include grant notes that specify a 15-year forgiveness period. As such, proceeds are treated as a conditional contribution where they recognize a refundable advance and derecognize the liability, and recognize income, as conditions for forgiveness are substantially met or explicitly waived.

Community Housing Partnership of Williamson County
Notes to Financial Statements
For the Year Ended June 30, 2021

Note 1. Summary of Significant Accounting Policies

Fair Value Measurement

The Organization has adopted the *Fair Value Measurements and Disclosures* topic of the FASB ASC for determining fair value of financial assets and liabilities that are required to be carried at such amounts. Fair value is required to be evaluated and adjusted according to the following valuation techniques:

Level 1 – Fair value is determined using quoted market prices in active markets for identical assets and liabilities.

Level 2 – Fair value is determined using quoted market prices in active markets for similar assets and liabilities.

Level 3 – Fair value is determined using unobservable market prices in a market that is typically inactive.

Revenues and Support

The Organization recognizes revenues from all home building activities at the closing of the sale. During construction, all direct material and labor costs and those indirect costs related to acquisition and construction are capitalized, which are charged to earnings upon closing. Costs incurred in connection with completed homes and selling, general, and administrative costs are charged to expenses as incurred.

Contributions and grants are received and recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Contributions with donor restrictions are presented as net assets with donor restrictions in the statement of activities. When a restriction expires, that is, when a 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 statement of activities as net assets released from restrictions.

Donated Supplies and Services

Donated goods and assets are recorded at estimated fair market value at the date of donation. If donors stipulate how long the assets must be used, the donations are recorded as with donor restrictions. In the absence of such stipulations, donations of property and equipment are recorded as without donor restrictions.

Donated services are reflected in the financial statements at the estimated fair value of the services received only when those services either (a) create or enhance nonfinancial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Program services – includes activities carried out to fulfill the Organization's mission.

General and administrative – relates to the overall direction of the Organization. These expenses are not identifiable with a particular program, event, or fundraising but are indispensable to the conduct of those activities and are essential to the Organization.

Community Housing Partnership of Williamson County
Notes to Financial Statements
For the Year Ended June 30, 2021

Note 1. Summary of Significant Accounting Policies

Functional Allocation of Expenses

The costs of providing program services and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code except on net income derived from unrelated business activities. Accordingly, no provision for income tax has been made. US GAAP requires the Organization's management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examinations by the Internal Revenue Services. Management has analyzed the tax positions of the Organization and has concluded that as of year-end, no uncertain positions have been taken or are expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Organization is no longer subject to routine audits by taxing jurisdictions for any tax periods before 2018.

Advertising

Advertising costs are expensed when incurred.

Note 2. Liquidity and Availability

The following represents the Organization's financial assets as of June 30, 2021:

Financial assets	
Cash	\$ 463,499
Accounts receivable, net	9,486
Investments	341,196
Grants receivable	<u>7,500</u>
Total financial assets at year-end	<u>\$ 821,681</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

Note 3. Concentration and Credit Risk

The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of year-end, the Organization had no deposits in excess of FDIC limits.

In addition, the Organization has credit risk associated with the purchase and rehabilitation of residential homes, with the risk of the housing market supporting the desired price and timeframe of the sale.

Community Housing Partnership of Williamson County
Notes to Financial Statements
For the Year Ended June 30, 2021

Note 4. Investments

Investments are as follows as of June 30, 2021:

	Level 1	Level 2	Level 3	Total
Cash	\$ 4,307	\$ -	\$ -	\$ 4,307
Exchange traded funds	220,655	-	-	220,655
Mutual funds	<u>116,234</u>	<u>-</u>	<u>-</u>	<u>116,234</u>
	\$ 341,196	\$ -	\$ -	\$ 341,196

Note 5. Inventories

Inventories include costs of 14 properties that are in various stages of construction. Lots in inventories totaled \$6,707,724.

Note 6. Property and Equipment

Property and equipment consisted of the following as of June 30, 2021:

	Affordable rental housing	Other	Total
Land	\$ 533,924	\$ -	\$ 533,924
Buildings	4,361,019	-	4,361,019
Construction in progress	475,759	-	475,759
Furniture and equipment	<u>-</u>	<u>70,401</u>	<u>70,401</u>
	5,370,702	70,401	5,441,103
Less: accumulated depreciation	<u>(1,492,580)</u>	<u>(37,889)</u>	<u>(1,530,469)</u>
Property and equipment, net	\$ 3,878,122	\$ 32,512	\$ 3,910,634

Total depreciation expense for the year is \$170,221.

Note 7. Loans Receivable and Promises to Give Obligation

During the year, the Organization sold eight homes and there were six loans receivable totaling \$144,377 at year-end. The Organization has promised to forgive three HOME Program loans and one Community Development Block Grant loan over a period of five years. The remaining notes are for a period of 40 years, at which time the Organization may decide to forgive some or all of the value of the loan at its sole discretion. Loans receivable have maturity dates between 2022 and 2047. These mortgages have been discounted at 5%, to be amortized into interest income over the life of the loans. The aggregate discount is \$68,547 at year-end. The promises to give obligation related to forgiveness of the HOME Program loans were recorded at fair value as of the date of the promises and reflect the present value at a discount rate of 5%.

Community Housing Partnership of Williamson County
Notes to Financial Statements
For the Year Ended June 30, 2021

Note 8. Lines of Credit

The Organization has a \$200,000 line of credit with a bank bearing interest at prime, less 4.00%, with a floor of 1.25% (1.25% at June 30, 2021), which must be renewed annually. The line matures in December 2021 and has an outstanding balance of \$198,617.

In addition, the Organization has a \$255,000 line of credit with a bank bearing interest at prime, less 0.95%, with a floor of 3.00% (3.00% at June 30, 2021), which is secured by a deed of trust and an assignment of rents on properties held for rent by the Organization. The line matures in December 2021 and has an outstanding balance of \$254,018.

Note 9. Refundable Advances

On September 27, 2019, the Organization entered into a \$460,000 grant note through the 2019 spring round of the Tennessee Housing Trust Fund Competitive Grants Program (the Program), which is secured by a deed of trust. In addition, on June 7, 2021, the Organization entered into a \$496,169 grant note through the 2021 winter round of the Program. Each of these grant notes are to be forgiven through annual reductions, each in the amount of 6.67% of the original principal sum over a period of 15 years, beginning one year from the date the secured property is first available for occupancy.

Refundable advances consist of the following:

Property	Occupancy date	Final forgiveness date	Original advance amount	Balance at year end
126 W Fowlkes St	06/08/2020	06/08/2035	\$ 432,277	\$ 403,459
2242 S. Berry's Chapel	06/30/2022	06/30/2037	364,295	<u>364,295</u>
				\$ 767,754

Community Housing Partnership of Williamson County
Notes to Financial Statements
For the Year Ended June 30, 2021

Note 10. Long-term Debt

Long-term debt consists of the following notes payable:

Property	Origination date	Maturity date	Interest rate description	Interest rate	Principal balance outstanding
<i>Secured mortgage debt</i>					
<u>Lender A</u>					
Walker PI Development (1st)	11/22/2019	11/15/2021	WSJ Prime - 4.00%	0.00%	\$ 3,275,000
<u>Lender B</u>					
Walker PI Development (2nd)	11/22/2019	12/01/2021	WSJ Prime + 1.00%	4.25%	1,000,000
Walker PI Pre-Development (1)	12/13/2019	12/01/2021	WSJ Prime + 2.00%	5.25%	193,546
<u>Lender C</u>					
Mt. Hope St & 11th Ave N re-fi (2)	12/12/2019	12/31/2030	Fixed	1.25%	361,722
<u>Lender D</u>					
5540 Hargrove Ridge Rd (3)	09/05/2019	11/05/2021	Fixed	4.00%	239,635
7944 Horn Tavern et al (4)	04/09/2020	04/09/2025	WSJ Prime, 4.00% floor	4.00%	165,992
<u>Lender E</u>					
7209 Rye Ct (5)	03/03/2020	03/03/2025	WSJ Prime - 4.00%	0.00%	591,798
126 W Fowlkes St (6)	10/01/2019	10/02/2024	Fixed	1.00%	72,599
<u>Lender F</u>					
Walker PI Development (7)	08/28/2019	08/25/2021	WSJ Prime, 4.00% floor	4.00%	324,472
254 Natchez St (8)	06/16/2021	06/16/2026	WSJ Prime - 4.00%	0.00%	196,000
<u>Lender G</u>					
Whispering Winds, Lot 4	03/17/2021	03/17/2022	WSJ Prime - 4.00%	0.00%	132,103
Whispering Winds, Lot 5	03/17/2021	03/17/2022	WSJ Prime - 4.00%	0.00%	113,465
Whispering Winds, Lot 6	03/17/2021	02/17/2023	WSJ Prime - 4.00%	0.00%	149,339
Whispering Winds	10/01/2018	10/01/2022	WSJ Prime - 4.00%	1.25%	412,697
<u>Lender H</u>					
Whispering Winds, Lot 2	10/01/2018	N/A	Fixed	5.00%	53,571
<i>Other debt</i>					
SBA PPP loan	04/30/2021	04/30/2026	Fixed, forgivable	1.00%	69,745
					\$ 7,351,684

Community Housing Partnership of Williamson County

Notes to Financial Statements For the Year Ended June 30, 2021

Note 10. Long-term Debt

Notes to Debt Schedule

(1) Secured by Pleasant Hill Estates lots 6 and 7

(2) Included re-fi of loans on 2505 Penny Ln, 4007 Kelsey Way, 628 Westminster, 160 Cadet, 7344 Hidden Lake, and 7222 Blue Ridge. Loan is subordinate to THDA Deed of Trust (Working Agreement HM-09-17, as amended).

(3) Loans modified on September 14, 2021 extending maturity date from March 5, 2021 to November 5, 2021.

(4) Loan is re-fi of original loan dated October 9, 2018

(5) Loan is for purchase of 1100 W Main St D4 and D6, 2271 Dewey Dr #G-2, and 7209 Rye Ct

(6) Including THDA Housing Trust Fund Grant financing of \$215,586

(7) Secured by 248 and 264 Chestnut Ln real property and related rents. Loan modified on September 27, 2021 extending maturity date from August 25, 2021 to September 27, 2022.

(8) Loan is a re-fi of original loan dated January 1, 2016

Future maturities of long-term debt are as follows:

Year ended June 30,	
2022	\$ 5,418,947
2023	646,065
2024	51,751
2025	719,003
2026	154,196
Thereafter	<u>361,721</u>
Total	\$ 7,351,684

Note 11. Retirement Plan

The Organization has adopted a Simplified Employee Retirement Plan covering all eligible employees who are age 21 or older and who have completed a successful 90-day probationary period. The Organization contributes 5% of an employee's salary to the Plan each year. The Organization contributed \$6,623 to the retirement plan during the year.

Community Housing Partnership of Williamson County
Notes to Financial Statements
For the Year Ended June 30, 2021

Note 12. Grants

The Organization has various grants from state and local sources. In addition, the Organization received a federal grant, which is administered through the Tennessee Housing Development Agency. The grant, which falls under the US Department of Housing and Urban Development, allows the Organization to purchase and redevelop foreclosed properties that might otherwise become sources of abandonment and blight. Once redeveloped, the properties are then rented or sold to qualified residents at reduced prices.

Amounts received from grantors are subject to restrictions and are open to audits. Any disallowed claims including amounts already collected, could become a liability to the Organization.

Note 13. Prior Period Adjustment

Refundable advance and property and equipment, net were understated at June 30, 2020 by \$432,277 and \$217,691, respectively. These understatements related to a conditional contribution having been recorded as revenue, and an offset to the related asset, rather than as a refundable advance. The total change to net assets was a decrease of \$214,586 as of June 30, 2020 to adjust for an overstatement of grant revenues.

Note 14. Subsequent Events

Management has evaluated subsequent events through December 14, 2021, the date on which the financial statements were available for issuance.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: MAY 6 12001

COMMUNITY HOUSING PARTNERSHIP OF
WILLIAMSON COUNTY
129 W FOWLKES ST STE 128
FRANKLIN, TN 37064

Employer Identification Number:
62-1572386

DLN:

17053104800031

Contact Person:

EVELYN D GRIFFITHS

ID# 31432

Contact Telephone Number:

(877) 829-5500

Our Letter Dated:

December 1994

Addendum Applies:

No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

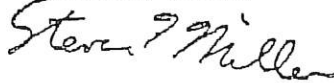
Letter 1050 (DO/CG)

COMMUNITY HOUSING PARTNERSHIP OF

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

A handwritten signature in cursive script that reads "Steven T. Miller".

Steven T. Miller
Director, Exempt Organizations

Letter 1050 (DO/CG)



Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **COMMUNITY HOUSING PARTNERSHIP OF WILLIAMSON COUNTY**

General Information

SOS Control # 000281744 Formation Locale: TENNESSEE
Filing Type: Nonprofit Corporation - Domestic Date Formed: 07/21/1994
07/21/1994 10:12 AM Fiscal Year Close 6
Status: Active
Duration Term: Perpetual
Public/Mutual Benefit: Public

Registered Agent Address

WAYNE O WEAVER
STE 124
129 W FOWLKES ST
FRANKLIN, TN 37064-3563

Principal Address

STE 124
129 W FOWLKES ST
FRANKLIN, TN 37064-3563

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
07/30/2021	2021 Annual Report	B1072-4264
03/24/2021	Registered Agent Change (by Entity)	B1004-9746
	Registered Agent First Name Changed From: ZABRINA To: WAYNE	
	Registered Agent Last Name Changed From: GREGG To: WEAVER	
	Registered Agent Middle Name Changed From: N To: O	
07/17/2020	2020 Annual Report	B0894-3012
	Registered Agent First Name Changed From: STEPHEN To: ZABRINA	
	Registered Agent Last Name Changed From: MURRAY To: GREGG	
10/21/2019	2019 Annual Report	B0768-6527
08/07/2018	2018 Annual Report	B0578-5072
08/23/2017	2017 Annual Report	B0436-1450
	Registered Agent First Name Changed From: RAQUEL To: STEPHEN	
	Registered Agent Middle Name Changed From: No Value To: N	
	Registered Agent Last Name Changed From: WATERS To: MURRAY	
09/22/2016	2016 Annual Report	B0280-9522
07/28/2015	2015 Annual Report	B0123-8639

Filing Information

Name: **COMMUNITY HOUSING PARTNERSHIP OF WILLIAMSON COUNTY**

Registered Agent First Name Changed From: ERIN To: RAQUEL	
Registered Agent Last Name Changed From: WILDENRADT To: WATERS	
06/24/2014 2014 Annual Report	7355-0916
07/25/2013 2013 Annual Report	7223-2611
Principal Address 2 Changed From: STE 128 To: STE 124	
Principal Postal Code Changed From: 37064-3562 To: 37064-3563	
07/10/2013 Registered Agent Change (by Entity)	7219-2838
Registered Agent First Name Changed From: GAYLE To: ERIN	
Registered Agent Last Name Changed From: HARRIS To: WILDENRADT	
Registered Agent Middle Name Changed From: MOYER To: No Value	
Registered Agent Physical Address 2 Changed From: STE 128 To: STE 124	
Registered Agent Physical Postal Code Changed From: 37064-3562 To: 37064-3563	
06/05/2013 Mailing Address Update	A0188-1728
07/02/2012 2012 Annual Report	7071-1786
Principal Address 1 Changed From: 129 W FOWKLES ST To: 129 W FOWLKES ST	
Principal Address 2 Changed From: SUITE 128 To: STE 128	
Principal Postal Code Changed From: 37064 To: 37064-3562	
07/25/2011 2011 Annual Report	6921-0191
08/24/2010 2010 Annual Report	6760-1040
07/30/2009 2009 Annual Report	6576-1496
08/22/2008 2008 Annual Report	6369-0131
06/20/2007 2007 Annual Report	6076-1217
09/17/2006 2006 Annual Report	5861-0949
10/26/2005 2005 Annual Report	5593-0999
11/01/2004 2004 Annual Report	5270-0461
Fiscal Year Close Changed	
11/14/2003 2003 Annual Report	4961-0491
10/30/2002 2002 Annual Report	4636-1277
Registered Agent Physical Address Changed	
Registered Agent Changed	
11/30/2001 2001 Annual Report	4358-0455
12/20/2000 2000 Annual Report	4075-0229
Principal Address Changed	
Registered Agent Physical Address Changed	
02/10/2000 CMS Annual Report Update	3825-0892
Principal Address Changed	

Filing Information

Name: **COMMUNITY HOUSING PARTNERSHIP OF WILLIAMSON COUNTY**

Registered Agent Physical Address Changed

Registered Agent Changed

01/24/2000 Notice of Determination

ROLL 3807

07/23/1996 CMS Annual Report Update

3196-1367

Registered Agent Changed

11/09/1994 Articles of Amendment

2913-0658

07/21/1994 Initial Filing

2871-1003

Active Assumed Names (if any)

Date

Expires

Community Housing Partnership of Williamson County, Inc.

129 West Fowlkes Street, Suite 124, Franklin, TN 37064

Contact: Wayne Weaver

Phone: 615-790-5556

Website: www.chpwc.org

Status: Registered

Expires: 5/30/2022

Thank you for your payment.

Please print this receipt and keep it for your records.

Fee Type : Fee/Payment
Charitable Organization Number : CO2962
Charitable Organization Name : Community Housing Partnership of Williamson County, Inc.
Payment Amount: \$10.00
Receipt Number: 3826452608
Transaction Date: 04/01/2022 08:59 AM
Payment Type: ☒ MasterCard
Account Number: *3011

Your session will expire in _ seconds. To continue working with the site, click "Extend".



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Digitally signed by Brent D. Hutchinson
Date: 2022.02.28 14:33:46 -06'00'
Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Williamson County Child Advocacy Center

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

Davis House CAC provides investigative and healing services to children who have been sexually and/or significantly physically abused and neglected. DHCAC also provides community education and outreach to public and private organizations and institutions. All services are provided free of charge to the child or client. Davis House serves an average of 109 children per year from the City of Franklin at a cost of \$1,450/child. Our request of \$39,730 covers only one quarter, 25%, of the costs incurred by the agency to serve Franklin child residents each year.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

City of Franklin funds will support general operations of our Franklin-based administrative and clinical center. Nearly 70% of all Davis House's annual expenses come from the Franklin office (we also operate in Centerville and Hohenwald). These funds would help us pay for all our programs and our physical space in Williamson County, located at 1810 Columbia Ave. The request accounts for only 4% of our total agency budgeted expenses for this year.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☐ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Brent D. Hutchinson	02/28/2022
----------------------------	-------------------

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Brent D. Hutchinson	Digitally signed by Brent D. Hutchinson Date: 2022.02.28 14:34:09 -06'00'	02/28/2022
----------------------------	--	-------------------

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Williamson County Child Advocacy Center

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



WILLCOU-01

TFOX

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/28/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER GLS Insurance Group, PLLC 626 Creekfront Dr. Mount Juliet, TN 37122	CONTACT NAME: PHONE (A/C, No, Ext): (913) 645-9399 FAX (A/C, No): (417) 520-0823 E-MAIL ADDRESS: tyler.miles@glsinsurancegroup.com
INSURED Williamson County Child Advocacy Center DbA Davis House Child Advocacy Center 1810 Columbia Ave. Franklin, TN 37064	INSURER(S) AFFORDING COVERAGE INSURER A : GuideOne Insurance INSURER B : INSURER C : INSURER D : INSURER E : INSURER F : NAIC # 15032

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PROJECT ☐ LOC OTHER:			01-0027-907	7/1/2021	7/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	☒ AUTOMOBILE LIABILITY ☐ ANY AUTO OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS ONLY			01-0027-908	7/1/2021	7/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED ☒ RETENTION \$ 2,500			01-0027-911	7/1/2021	7/1/2022	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
A	☒ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y / N N		N / A	01-0027-909	7/1/2021	7/1/2022	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

City of Franklin
109 3rd Avenue South
Franklin, TN 37064

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Board of Directors 2021-22

Last Name	First Name	Mobile #	Email	Officer	Committee	Affiliation	Term Ends	Term Start
Fitz	Ashley	615-906-2444	aahfitz@yahoo.com	Chair	Executive Advancement Chair Strategy/Leadership	Sotheby's Zeitlin Real Estate	2021	2012
Voyles	Andy	615-584-1057	a_voyles@msn.com	Vice Chair I	Advancement Strategy/Leadership	Bank of England	2024	2018
Ledbetter	Jaclyn	949-266-2992	jaclyn.barnard@roundtable-software.com	Vice Chair II	Operations/Advancement	Roundtable Software	2024	2021
Myers	Katie	615-627-7611	katie.elizabeth.myers@gmail.com	Secretary	Executive Advancement Strategy/Leadership		2022	2019
Burris	Paul	615-969-4026	pburris@lbmc.com	Treasurer	Executive Operations Strategy/Leadership	LBMC	2023	2014
Oliver	Brandon	615-668-2786	brandon.oliver@pophealthcare.com	Past Chair	Executive Strategy/Leadership Chair	POP Healthcare	2022	2013
Schenck	Mike	615-651-4606	mschenck87@gmail.com		Executive Strategy/Leadership	Elements Massage	2024	2015
Adcox	David	931-628-0737	david@highlandcorp.com		Advancement Strategy/Leadership	Highland Oil	2023	2020
Borne	Jessica	615-785-5121	jlnorthcutt5@gmail.com			Family Law Attorney		
Davis	Brenda	615-347-7581	brendadavis642@gmail.com		Operations	TN Commission on Children and Youth	2023	2011
Killoren	Melissa	773-744-8732	mgkilloren@gmail.com					
Moorhead	Sean	720-641-6324	sean.moorhead@jackson.com		Advancement	Jackson Insurance	2022	2019
Olin	Jim	850-699-1828	jim@olinrealty.com		Strategy/Leadership	Olin Realty	2024	2018
Rayfield	Lena Graham		lenagrahamrayfield@gmail.com		Advancement	H&R (Hohenwald)	2024	2021
Sura	Luis	615-424-0045	betteroptionstn@gmail.com					
Van Voris	Bishaka	615-496-9893	pbvanvoris@gmail.com		Operations	State of TN Dept. of Human Services	2022	2016
Vild	Dan	615-590-7900	dan@advancedsafetysupply.com		Strategy/Leadership	Advanced Safety and Industrial Supply	2023	2014
Wick	Nicole		nicolenwick@gmail.com					
Tapalman	Aaron	615-948-9841	aaron.tapalman@gmail.com	Intern	Operations	YLC Board Intern	2022	2021
Hutchinson	Brent	615-282-1141	brent@davishousecac.org	Ex-Officio		Davis House	NA	NA
Hamilton	Forest		forest@foresthamiltonlaw.com	Attorney			2021	

**WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.
DBA DAVIS HOUSE CHILD ADVOCACY CENTER**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

JUNE 30, 2021 AND 2020

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

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JUNE 30, 2021 AND 2020

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Statements of Functional Expenses	8
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BELLENFANT

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Professional Accounting & Consulting Services

INDEPENDENT AUDITOR'S REPORT

Board of Directors and Brent Hutchinson, Executive Director
Williamson County Child Advocacy Center, Inc.
dba Davis House Child Advocacy Center
Franklin, Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of Williamson County Child Advocacy Center, Inc. (dba Davis House Child Advocacy Center), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Williamson County Child Advocacy Center, Inc. (dba Davis House Child Advocacy Center) as of June 30, 2021 and 2020, 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.

Bellenfant, PLLC

Nashville, Tennessee

November 10, 2021

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

STATEMENTS OF FINANCIAL POSITION

AS OF JUNE 30, 2021 AND 2020

	<u>ASSETS</u>	
	<u>2021</u>	<u>2020</u>
Current Assets		
Cash and Cash Equivalents	\$ 72,194	\$ 147,762
Prepaid Expenses	50,958	4,574
Grants Receivable	18,549	21,408
Total Current Assets	<u>141,701</u>	<u>173,744</u>
Property and Equipment		
Furniture and Equipment	208,093	93,296
Leasehold Improvements	45,069	-
Less: Accumulated Depreciation	<u>(94,383)</u>	<u>(75,216)</u>
Property and Equipment, net	<u>158,779</u>	<u>18,080</u>
Other Assets		
Deposits	<u>10,000</u>	<u>2,880</u>
Total Other Assets	<u>10,000</u>	<u>2,880</u>
Total Assets	<u>\$ 310,480</u>	<u>\$ 194,704</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 57,557	\$ 33,969
SBA PPP Loan Payable	-	98,187
Line of Credit	49,416	-
Deferred Revenue: Button Ball	<u>47,021</u>	<u>-</u>
Total Current Liabilities	<u>153,994</u>	<u>132,156</u>
Non-Current Liabilities		
SBA EIDL Loan Payable	<u>149,900</u>	<u>-</u>
Total Non-Current Liabilities	<u>149,900</u>	<u>-</u>
Total Liabilities	<u>303,894</u>	<u>132,156</u>
Net Assets		
Without Donor Restrictions	<u>6,586</u>	<u>62,548</u>
Total Net Assets	<u>6,586</u>	<u>62,548</u>
Total Liabilities and Net Assets	<u>\$ 310,480</u>	<u>\$ 194,704</u>

The Independent Auditor's Report and accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Public Support and Revenue	<u>2021</u>	<u>2020</u>
Public Support		
Government Grants	\$ 251,573	\$ 195,592
Corporate Grants	192,917	135,445
Court Ordered Donations	2,700	1,700
Contributions	140,251	157,200
	<u>587,441</u>	<u>489,937</u>
Special Event Revenue		
Revenue	183,089	249,327
Less: Direct Costs	(46,878)	(59,125)
Net Revenue from Special Events	<u>136,211</u>	<u>190,202</u>
In-Kind Contributions	<u>29,884</u>	<u>9,359</u>
Total Public Support	<u>753,536</u>	<u>689,498</u>
Other Revenue		
SBA PPP Loan Forgiveness	<u>98,187</u>	<u>-</u>
Total Other Revenue	<u>98,187</u>	<u>-</u>
Total Public Support and Revenue	<u>\$ 851,723</u>	<u>\$ 689,498</u>

The Independent Auditor's Report and accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

STATEMENTS OF ACTIVITIES (CONTINUED)

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Expenses

Program Services

Counseling	\$ 73,516	\$ 63,430
Education and Outreach	133,509	134,982
Forensic Interviewing	111,794	96,965
Victim Services	258,167	220,254
Total Program Services	<u>576,986</u>	<u>515,631</u>

Support Services

Management and General	271,177	90,129
Fundraising	59,522	84,701
Total Supporting Services	<u>330,699</u>	<u>174,830</u>

Total Expenses	<u>907,685</u>	<u>690,461</u>
----------------	----------------	----------------

Change in Net Assets	(55,962)	(963)
----------------------	----------	-------

Net Assets, Beginning of Year	<u>62,548</u>	<u>63,511</u>
-------------------------------	---------------	---------------

Net Assets, End of Year	<u>\$ 6,586</u>	<u>\$ 62,548</u>
-------------------------	-----------------	------------------

The Independent Auditor's Report and accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	Program Services					Supporting Services			
	Counseling	Education and Outreach	Forensic Interviewing	Victim Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	\$ 47,934	\$ 95,799	\$ 76,590	\$ 135,225	\$ 355,548	\$ 58,015	\$ 53,000	\$ 111,015	\$ 466,563
Employee benefits	10,868	13,001	29,653	28,958	82,480	4,589	-	4,589	87,069
Payroll taxes	1,423	3,279	2,597	5,810	13,109	19,455	249	19,704	32,813
Total compensation	60,225	112,079	108,840	169,993	451,137	82,059	53,249	135,308	586,445
Professional development and training	7,256	6,607	1,390	20	15,273	3,052	267	3,319	18,592
Professional fees	3,845	-	-	3,236	7,081	76,342	-	76,342	83,423
Supplies	283	923	38	1,464	2,708	7,811	131	7,942	10,650
Occupancy	-	-	-	79,074	79,074	9,837	-	9,837	88,911
Insurance	796	-	-	-	796	15,426	-	15,426	16,222
Travel	246	739	-	424	1,409	1,115	-	1,115	2,524
Business fees and expenses	865	13,161	626	3,956	18,608	23,285	5,875	29,160	47,768
Depreciation	-	-	-	-	-	19,167	-	19,167	19,167
Direct expenses of special events	-	-	-	-	-	-	46,878	46,878	46,878
Equipment	-	-	900	-	900	3,199	-	3,199	4,099
In-Kind	-	-	-	-	-	29,884	-	29,884	29,884
Total expenses	73,516	133,509	111,794	258,167	576,986	271,177	106,400	377,577	954,563
Less: expenses netted with revenue on statement of activities									
Direct expenses of special events	-	-	-	-	-	-	(46,878)	(46,878)	(46,878)
Total expenses by function	\$ 73,516	\$ 133,509	\$ 111,794	\$ 258,167	\$ 576,986	\$ 271,177	\$ 59,522	\$ 330,699	\$ 907,685
Current year's percentages	8.1%	14.6%	12.3%	28.4%	63.6%	29.9%	6.6%	36.4%	100.0%

The Independent Auditor's Report and accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	Program Services					Supporting Services			
	Counseling	Education and Outreach	Forensic Interviewing	Victim Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	\$ 52,354	\$ 104,092	\$ 74,500	\$ 115,095	\$ 346,041	\$ 18,949	\$ 61,121	\$ 80,070	\$ 426,111
Employee benefits	561	11,559	13,451	20,279	45,850	2,888	7,104	9,992	55,842
Payroll taxes	4,580	4,134	4,714	11,821	25,249	2,898	6,545	9,443	34,692
Total compensation	57,495	119,785	92,665	147,195	417,140	24,735	74,770	99,505	516,645
Professional development and training	739	2,660	219	1,732	5,350	294	73	367	5,717
Professional fees	3,325	420	-	-	3,745	28,343	-	28,343	32,088
Supplies	557	907	854	1,278	3,596	1,613	696	2,309	5,905
Occupancy	-	-	-	59,663	59,663	822	-	822	60,485
Insurance	251	-	-	-	251	11,023	-	11,023	11,274
Travel	342	2,430	248	1,463	4,483	-	-	-	4,483
Business fees and expenses	721	8,780	2,079	8,923	20,503	4,692	9,162	13,854	34,357
Depreciation	-	-	-	-	-	9,002	-	9,002	9,002
Direct expenses of special events	-	-	-	-	-	-	59,125	59,125	59,125
Equipment	-	-	900	-	900	246	-	246	1,146
In-Kind	-	-	-	-	-	9,359	-	9,359	9,359
Total expenses	63,430	134,982	96,965	220,254	515,631	90,129	143,826	233,955	749,586
Less: expenses netted with revenue on statement of activities	-	-	-	-	-	-	(59,125)	(59,125)	(59,125)
Direct expenses of special events	-	-	-	-	-	-	(59,125)	(59,125)	(59,125)
Total expenses by function	\$ 63,430	\$ 134,982	\$ 96,965	\$ 220,254	\$ 515,631	\$ 90,129	\$ 84,701	\$ 174,830	\$ 690,461
Current year's percentages	9.2%	19.4%	14.0%	31.9%	74.7%	13.1%	12.3%	25.3%	100.0%

The Independent Auditor's Report and accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2021</u>	<u>2020</u>
Change in Net Assets	\$ (55,962)	\$ (963)
Adjustments to reconcile increase in net assets to net cash provided by operations:		
Depreciation	19,167	9,002
(Increase) Decrease in:		
Grants Receivable	2,859	(186)
Prepaid Expenses	(46,384)	(4,574)
Deposits	(7,120)	-
Increase (Decrease) in:		
Deferred Revenue	47,021	-
Accounts Payable	9,050	5,118
Accrued Expenses	14,538	8,496
Net Cash Provided (Used) by Operating Activities	<u>(16,831)</u>	<u>16,893</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (Purchase) of Fixed Assets	<u>(159,866)</u>	<u>(10,682)</u>
Net Cash Provided (Used) by Investing Activities	<u>(159,866)</u>	<u>(10,682)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Draws (Payments) on Line of Credit	49,416	-
Issuance (Forgiveness) of SBA PPP Loan Payable	(98,187)	98,187
Issuance (Payments) of SBA EIDL Payable	149,900	-
Net Cash Provided (Used) by Financing Activities	<u>101,129</u>	<u>98,187</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(75,568)	104,398
Cash and Cash Equivalents, Beginning of Year	<u>147,762</u>	<u>43,364</u>
Cash and Cash Equivalents, End of Year	<u>\$ 72,194</u>	<u>\$ 147,762</u>

The Independent Auditor's Report and accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Williamson County Child Advocacy Center (dba Davis House Child Advocacy Center), the “Organization”, is a nonprofit organization chartered in the State of Tennessee in 1999 to combat child abuse by providing and coordinating services to children and their families in crisis and providing community education focused on prevention and early intervention. The Organization serves the 21st Judicial District which includes Williamson, Hickman, Lewis and Perry Counties. The Organization is supported primarily through government grants, individual and business contributions, and special events.

Basis of Presentation

The Organization prepares its financial statements and maintains its financial and accounting records on the accrual basis of accounting. Revenue is generally recognized when earned. Expenses are generally recognized when incurred.

Net Assets without Donor Restrictions

These are net assets that are not subject to donor-imposed stipulations. The organization had \$6,586 and \$62,548 of net assets without donor imposed restrictions as of June 30, 2021 and 2020 respectively.

Net Assets With Donor Restrictions

These are net assets that are subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. This classification also includes net assets subject to donor-imposed stipulations that may be maintained permanently by the Organization. Generally, donors of these assets permit the Organization to use all or part of the income earned for general or specific purposes. The Organization had no net assets with donor restrictions as of June 30, 2021 and 2020.

Cash and Cash Equivalents

The Organization considers all certificates of deposit purchased with maturity of twelve months or less to be cash equivalents. Certificates of deposit with original maturities exceeding twelve months are classified as investments and stated at fair value. As of June 30, 2021 and 2020 there were no cash equivalents.

Grants Receivable

The Organization considers grants receivable to be fully collectible at year-end. Accordingly, no allowance for doubtful accounts has been recorded.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are recorded at cost to the Organization, or if donated, at the estimated fair market value at the date of donation. All depreciation is computed using the straight-line method based on the estimated useful life of the asset. Estimated useful lives are 3-10 years for office furniture and equipment.

Expense Allocation

The costs of providing program services and supporting services have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among programs and supporting services based on actual or estimated time employees spent on each function.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in assets with donor restrictions and assets without donor restrictions depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Income Taxes

The Organization is a nonprofit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and the Organization is classified as an organization that is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. Therefore, no provision for federal income taxes is included in the accompanying financial statements.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Organization accounts for the effect of any uncertain tax positions based on a more likely than not threshold to the recognition of the tax positions being sustained based on the technical merits of the position under examination by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of these positions, the unrecognized tax benefit is estimated based on a cumulative probability assessment that aggregates the estimated tax liabilities for all uncertain tax positions. Tax positions for the Organization include, but are not limited to, the tax exempt status and determination of whether income is subject to unrelated business income tax; however, the Organization has determined that such tax positions do not result in an uncertainty requiring recognition. Tax years that remain open to examination include years ended June 30, 2019 through 2021.

Prepaid Expenses

Prepaid expenses consist of expenses paid that are attributable to the Button Ball. These expenses were prepaid due to the postponement of the event until after the close of the fiscal year.

Revenue and Revenue Recognition

The Organization recognizes revenue from revenues related to Corporate Grants Receivable, Court Order Donations, and Contributions. These revenues are all recognized at the point in time, for which the transaction occurs or the service and associated benefits are provided.

Government Grants Receivable are recognized when earned. A receivable is booked for any unpaid amounts at year end.

Special Events Revenue is booked when earned. Any revenue that is received but not earned at year end is accrued as a liability under deferred revenue.

Deferred Revenues

Deferred revenues consist of revenues received that are attributable to the Button Ball. These revenues are deferred due to the postponement of the event until after the close of the fiscal year.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Pronouncements

In February 2016, FASB issued ASU 2016-02, Leases. The standard requires all leases with lease terms over 12 months to be capitalized as a right of use asset and lease liability on the balance sheet at the date of lease commencement. Leases will be classified as either finance or operating. This distinction will be relevant for the pattern of expense recognition in the income statement. This standard will be effective for the fiscal year ending June 30, 2023. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

In September 2020, FASB issued ASU 2020-07, Gifts-In-Kind Presentation and Disclosure. The standard requires that all gifts-in-kind must be disclosed as a separate line item on the Statement of Activities as well as a disclosure in the notes to the financial statements segregating and disclosing each category of gifts-in-kind received during the fiscal year. This distinction will provide more transparency on non-monetary revenues received by the Organization. This standard will be effective for fiscal years ending June 30, 2022. The Organization is currently in the process of evaluating the impact of this adoption of this ASU on the financial statements.

2. GRANTS RECEIVABLE

Grants receivable of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Department of Children's Services	\$ 7,250	\$ 11,167
Office of Criminal Justice Program	4,716	4,716
Other Corporate	6,583	5,525
	<u>\$ 18,549</u>	<u>\$ 21,408</u>

3. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of grant funds from the State of Tennessee, From the Office of Criminal Justice Programs and the Department of Children's Services. The grants represented 29% and 28% of the total revenue for the years ending June 30, 2021 and 2020, respectively. A significant reduction in the level of this support, if this were to occur, could have an adverse impact on the Organization's programs and activities.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

4. PROPERTY AND EQUIPMENT

The following changes to property and equipment occurred during the year ended June 30, 2021:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	Ending <u>Balance</u>
Furniture and Equipment	\$ 93,296	\$ 114,797	\$ -	\$ 208,093
Leasehold Improvements	-	45,070	-	45,070
Less: Accumulated Depreciation	<u>(75,216)</u>	<u>(19,167)</u>	<u>-</u>	<u>(94,383)</u>
Net Property and Equipment	<u>\$ 18,080</u>	<u>\$ 140,700</u>	<u>\$ -</u>	<u>\$ 158,779</u>

The following changes to property and equipment occurred during the year ended June 30, 2020:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	Ending <u>Balance</u>
Furniture and Equipment	\$ 82,614	\$ 10,682	\$ -	\$ 93,296
Leasehold Improvements	-	-	-	-
Less: Accumulated Depreciation	<u>(66,214)</u>	<u>(9,002)</u>	<u>-</u>	<u>(75,216)</u>
Net Property and Equipment	<u>\$ 16,400</u>	<u>\$ 1,680</u>	<u>\$ -</u>	<u>\$ 18,080</u>

5. DONATED SERVICES AND FACILITIES

A corporation donated facility services to the Organization for office space in the amount of \$20,525 for the year ended June 30, 2021

For the years ended June 30, 2021 and 2020, Lewis County Commission donated the Organization's office facilities at Hohenwald location in the amount of \$3,000 for each year. For the years ended June 30, 2021 and 2020, Centerville Church of Christ donated the Organization's office facilities at the Centerville location in the amount of \$3,600.

For the year ended June 30, 2021 and 2020, Clydeton Storage donated storage space in the amount of \$2,759

Therefore, the total in-kind contributions and expenses were \$29,884 and \$9,359 for the years ended June 30, 2021 and 2020, respectively.

6. LEASE COMMITMENT

The Organization leases office facilities under an operating lease which expires April 30, 2024. Rent expenses totaled \$88,911 and \$60,485 for the years ended June 30, 2021 and 2020 respectively.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

6. LEASE COMMITMENT (CONTINUED)

Future minimum rental payments under the noncancellable operating lease are as follows:

For the years ended,	June 30, 2022	\$ 71,022
	June 30, 2023	72,789
	June 30, 2024	<u>62,020</u>
	Total	<u><u>\$ 205,831</u></u>

7. UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, the Association has temporarily not been able to continue a portion of its activities. The extent to which these events will affect the amounts reported in future financial statements remains uncertain.

8. AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of June 30, 2021 and 2020, reduced by amounts not available for general use:

	<u>2021</u>	<u>2020</u>
Cash and Cash Equivalents	<u>\$ 55,694</u>	<u>\$ 147,762</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 55,694</u></u>	<u><u>\$ 147,762</u></u>

There is an adequate amount of financial assets available as of June 30, 2021 and 2020. The Organization effectively manages its liquid available resources to meet cash needs for general expenditures within one year of the balance sheet date.

9. PAYCHECK PROTECTION PROGRAM LOAN PAYABLE

In response to the COVID-19 pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and it was signed into law on March 27, 2020. The CARES Act implemented the Payroll Protection Program (PPP), which provides loans to small businesses and charitable organizations to keep their employees on payroll. The Organization obtained a PPP loan for \$98,187 on April 30, 2020. The portion of loan proceeds that was spent on qualified payroll costs and operational expenses was forgiven on March 4, 2021, which was the full amount of the loan.

WILLIAMSON COUNTY CHILD ADVOCACY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

10. ECONOMIC INJURY DISASTER LOAN PAYABLE

In response to the COVID-19 pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and it was signed into law on March 27, 2020. The CARES Act implemented the Economic Impact Disaster Loan (EIDL), which provides loans to small businesses and charitable organizations. The Organization obtained a EIDL loan for \$150,000 on June 12, 2021. This loan is repaid in monthly payments of \$657.00 with an annual interest rate of 2.75% beginning December 12, 2022. Future maturities are as follows:

For the years ended,	June 30, 2022	\$ -
	June 30, 2023	2,208
	June 30, 2024	3,868
	June 30, 2025	3,676
	June 30, 2026	4,087
	Thereafter	<u>\$ 136,161</u>
	Total	<u><u>\$ 150,000</u></u>

10. SUBSEQUENT EVENTS

The Organization evaluated subsequent events through November 10, 2021, the date the financial statements were available for issuance.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV - 3 2PM

WILLIAMSON COUNTY CHILD ADVOCACY
CENTER TASK FORCE
PO BOX 1571
FRANKLIN, TN 37065-0000

Employer Identification Number:

62-1772353

DLN:

17053276775014

Contact Person:

DAN W BERRY

ID# 31122

Contact Telephone Number:

(877) 829-5500

Public Charity Status:

170(b) (1) (A) (vi)

Dear Applicant:

Our letter dated NOVEMBER 1999, stated you would be exempt from Federal income tax under section 501(c) (3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

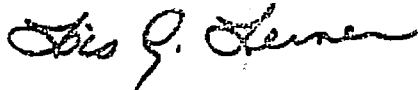
Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c) (3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading between 8:00 a.m. - 6:30 p.m. Eastern time.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 30 1999

WILLIAMSON COUNTY CHILD ADVOCACY
CENTER INC
C/O RONALD L DAVIS
PO BOX 1571
FRANKLIN, TN 37065

Employer Identification Number:
62-1772353

DLN:

17053257024049

Contact Person:

ROBERTA VAN METER

ID# 52624

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

June 30

Foundation Status Classification:

509(a)(1)

Advance Ruling Period Begins:

August 5, 1999

Advance Ruling Period Ends:

June 30, 2004

Addendum Applies:

No

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make a final determination of your foundation status.

If we publish a notice in the Internal Revenue Bulletin stating that we will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the

Letter 1045 (DO/CG)

WILLIAMSON COUNTY CHILD ADVOCACY

act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

If you change your sources of support, your purposes, character, or method of operation, please let us know so we can consider the effect of the change on your exempt status and foundation status. If you amend your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, let us know all changes in your name or address.

As of January 1, 1984, you are liable for social security taxes under the Federal Insurance Contributions Act on amounts of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Internal Revenue Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Internal Revenue Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Donors may deduct contributions to you only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, gives guidelines regarding when taxpayers may deduct payments for admission to, or other participation in, fundraising activities for charity.

You are not required to file Form 990, Return of Organization Exempt From Income Tax, if your gross receipts each year are normally \$25,000 or less. If you receive a Form 990 package in the mail, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return. Because you will be treated as a public charity for return filing purposes during your entire advance ruling period, you should file Form 990 for each year in your advance ruling period that you exceed the \$25,000 filing threshold even if your sources of support do not satisfy the public support test specified in the heading of this letter.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for

Letter 1045 (DO/CG)

WILLIAMSON COUNTY CHILD ADVOCACY

the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete. So, please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

The law requires you to make your annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your exemption application, any supporting documents and this exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are made widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection, (up to a maximum of \$10,000 in the case of an annual return).

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we said in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help us resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

-4-

WILLIAMSON COUNTY CHILD ADVOCACY

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Steven T. Miller

Steven T. Miller
Director, Exempt Organizations

Enclosure(s):
Form 872-C

Letter 1045 (DO/CG)

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
February 28, 2022

615-741-2555
Tom.Riley@tn.gov

Brent Hutchinson
Williamson County Child Advocacy Center
1810 Columbia Ave., Ste 28
Franklin, TN 37064

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Williamson County Child Advocacy Center - CO5567
Registration Expiration Date: **December 31, 2022**

Dear Brent Hutchinson:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS Form 990, Form 990EZ, or 990N for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

AK-CO5567



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name: Franklin Tomorrow Inc.

(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3)

☐ Civic Organization (501c6 or 501c4)

Application Contact:

Mindy Tate

Name

mindy@franklintomorrow.org

Email

615-794-0998

Phone

Mailing Address:

198 E. Main St., Suite 205, Franklin, TN 37064

Headquarters' Address (if different from mailing):

198 E. Main St., Suite 205, Franklin, TN 37064

Total amount of City of Franklin funds being requested for FY2022-2023 \$

40,000.00

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Mindy Tate/CEO

Printed Name of (CEO/President/Executive Director/Board Chair)

3/21/2022

Date

Mindy D. Tate

Signature of (CEO/President/Executive Director/Board Chair)

3/21/2022

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Franklin Tomorrow Inc.

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No

If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

For the past 22 years, Franklin Tomorrow has served the City of Franklin and its residents as a community visioning and engagement organization. City of Franklin funds go into our general fund to assist in staging our educational programs and events which accomplish our mission to engage the community, foster collaboration, and advocated for a shared vision for the future of Franklin. Events include the quarterly Breakfast With the Mayors, with an average in-person attendance of 350 people at each event, plus those who watch online or through streaming technology. Our monthly, in-person FrankTalks lecture, held at locations across the City, averages 80-100 people and has helped to engage individuals through timely topics, including the "City Hall on Wheels" programming. We also focus on the health of our community in collaboration with Mayor Ken Moore for the Get Fit Franklin program, plus participation in Find Hope Franklin. Franklin Tomorrow has coordinated Question Persuade Refer suicide prevention training for the past two years as part of the Find Hope Franklin initiative.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

1. Continued presentation of Breakfast With the Mayors, FrankTalks, Get Fit Franklin/Find Hope Franklin programs
2. Expand focused outreach to newcomers to our community through mailings, online and virtual programming, plus in-person socials
3. Further development of Franklin Tomorrow Civic Engagement series to be held multiple times per year
4. Other requests for collaboration from City leadership



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Franklin Tomorrow Inc.

4. What is your fiscal year (ex. July 1 to June 30)? January 1 to December 31

5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☒ monthly ☐ quarterly ☐ semi-annually ☐ annually

6. Are the agency's financial records audited by an independent certified public accountant? ☐ Yes ☒ No

7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin? 11%

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Mindy Tate/CEO

Printed Name of (CEO/President/Executive Director/Board Chair)

3/21/2022

Date

Mindy S. Tate

Signature of (CEO/President/Executive Director/Board Chair)

3/21/2022

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Franklin Tomorrow Inc.

Attachments:

- ☐ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded **AND** the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/21/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

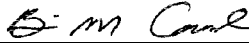
PRODUCER USI Insurance Services, LLC 2502 N Rocky Point Dr. Suite 400 Tampa, FL 33607		CONTACT NAME: Reyna Romero PHONE (A/C, No, Ext): 813-522-4108 E-MAIL ADDRESS: Reyna.romero@usi.com FAX (A/C, No): 610-537-2243	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A : The Cincinnati Insurance Company	
		INSURER B : Mount Vernon Fire Insurance Company	
		INSURER C : Accident Fund National Insurance Compan	
		INSURER D :	
		INSURER E :	
		INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:			ENP0094467	08/20/2021	08/20/2023	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY ☐ ANY AUTO OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS NON-OWNED AUTOS ONLY			ENP0094467	08/20/2021	08/20/2023	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	☒ UMBRELLA LIAB ☒ EXCESS LIAB DED RETENTION \$			CUP2552118D	08/20/2021	08/20/2022	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N / A	WCV61941390202	08/20/2021	08/20/2022	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

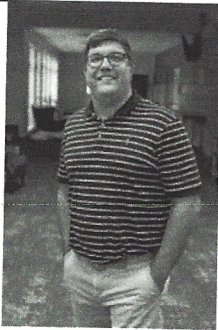
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER The City of Franklin 109 3rd Ave South Franklin, TN 37065	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
---	---

FRANKLIN TOMORROW

Engage • Collaborate • Advocate

Board of Directors 2022



Michael Armentrout

Founding Director, Franklin Fellows

Email	michael.armentrout@christcommunity.org
Cell	321.271.5732
Work	321.271.5732
Address (work)	1215 Hillsboro Rd., Franklin, TN 37069

Term: 2021 - 2023



Patrick Baggett – Board Chair

Executive Committee

Partner- Branch Insurance Partners

Email	patrick@branch-ins.com
Cell	615.955.0411
Work	615.790.0990
Address (work)	Term: 2020 - 2022



Mary Lee Bennett – Vice Chair of Strategic Initiatives

Executive Committee

Empower Local, General Manager, Nashville Region

Email	marylee.bennett@gmail.com
Cell	615.804.9822
Work	
Address (work)	103 Forest Crossing, Suite 201A Franklin, TN 37064

Term: 2020 - 2022



Christine Bradley – Vice Chair of Programs

Executive Committee

Director, Government & Community Affairs

Vanderbilt University Medical Center

Email	christine.bradley@vumc.org
Cell	615.715.7961
Work	615.936.5898
Address	2147 Belcourt Ave, Suite 200 Nashville, TN 37212

Term: 2021 - 2023



Kelly Dannenfels

Assistant Director, Planning & Sustainability – City of Franklin.

Email	kellyd@franklintn.gov
Cell	615.364.1490
Work	615.550.6735
Address (work)	109 Third Ave S., Franklin, TN 37064

Term: 2020-2022



Marianne DeMeyers

Owner – The Tin Cottage

Email	marianne@tincottage.com
Cell	
Work	615.472.1183
Address (work)	334 Main Street, Suite 100 Franklin, TN

Term: 2021-2023



Travis Dumke

Vice President, Commercial Banker – FirstBank

Email	travis.dumke@firstbankonline.com
Cell	615.642.2187
Work	615.236.8312
Address (work)	722 Columbia Ave Franklin, TN 37064

Term: 2021-2023



Teresa Ashworth Harris

Business Development- Fisher Arnold, Inc.

Email	Teharris@comcast.net
Cell	615.330.0083
Work	615.330.0083
Address (work)	1541 Bedford Commom Franklin, TN 37064

Term: 2021-2023



Russ Haynes – Treasurer

Executive Committee

CFO-Harpeth Associates, LLC

Email	russ@hamiltonyoung.com
Cell	251.767.9877
Work	615.472.1471
Address	198 E Main St., Suite 103, Franklin, TN 37064

Term: 2021-2023



Chris Henson – Secretary

Executive Committee

Logic Cadence

Email	hensonc10@yahoo.com
Cell	423.306.5421
Work	615.465.5715
Address (work)	

Term: 2020-2022



Adam Hicks

Vice President - Account Manager, Skanska

Email	adaghick@outlook.com
Cell	615.714.3930
Work	615.714.3930
Address (work)	5000 Meridian, Suite 100 Franklin, TN 37067

Term: 2020-2022



Cassie Jones – Vice Chair of Marketing Executive Committee

Owner/Publisher - Southern Exposure

Email	cassie@southernexposurmagazine.com
Cell	615.804.2829
Work	
Address	1117 Columbia Avenue Franklin, TN 37064

Term: 2021-2023



Peggy Kidd- Outreach Committee Chair

Community Volunteer

Email	peggykidd14@gmail.com
Cell	858.342.1082
Work	
Address (work)	262 Sontag Dr. Franklin, TN 37064

Term: 2021-2023

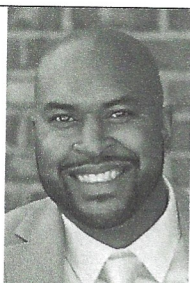


Diane LeBlanc

Senior Vice President, Renasant Bank

Email	dleblanc@renasant.com
Cell	615.456.6418
Work	615.764.4114
Address (work)	815 Columbia Ave. Franklin, TN 37064

Term: 2020 - 2022



Travis Lester

Director of Diversity, Equity & Inclusion- Mars Petcare

Email	travis.lester@effem.com
Cell	615-474-7377
Work	
Address (work)	2013 Ovation Parkway Franklin, TN 37067

Term: 2022-2024



Kathleen McClellan

Attorney- Hale and Hale, PLC

Email	kathleen@haleandhale.com
Cell	615-456-2462
Work	615-794-1613
Address (work)	3020 Stansberry Lane Suite 100 Franklin, TN 37069

Term: 2022-2024



Eric McElroy
Executive Committee
 Supervising Engineer at WSP

Email	eric.mcelroy@wsp.com
Cell	615.339.7464
Work	615.981.8363
Address (work)	2100 West End Ave, Suite 630 Nashville, TN 37203

Term: 2020 - 2022



Doris McMillan
Executive Committee

Director of Admissions & Enrollment Management, New Hope Academy
 Owner – Doris McMillan Custom Apparel & Millinery

Email	doris.mcmillan@yahoo.com
Cell	615.881.3403
Work	
Address	303 Bel Aire Drive Franklin, TN 37064

Term: 2021 - 2023



Cathy Clark Perry

Email	perryc6116@gmail.com
Cell	615-812-1611
Work	
Address	

Term: 2022 - 2024

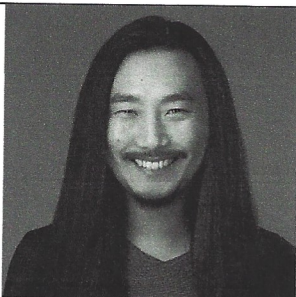


Renee Shafer

Director of Membership, Williamson Inc.

Email	renee@williamsonchamber.com
Cell	770.853.9393
Work	
Address	4031 Aspen Grove Dr., Ste. 630 Franklin, TN 37067

Term: 2021 - 2023



Brian Shun

Principal at Thinkify Advisors

Email	brian@brianshun.com
Cell	615-497-4166
Work	615-497-4166
Address	1247 Hillview Lane Franklin, TN 37064

Term: 2022 - 2024



Candy Sullivan

Director of Community Relations for Advancement - BGA

Email	candy.sullivan@mybga.org
Cell	615.480.1001
Work	615.567.8313
Address	336 Ernest Rice Lane, Franklin 37069

Term: 2021-2023



Kurt Winstead- Vice Chair of Operations & Policy Executive Committee

Attorney-Partner of Rudy Winstead Turner, PLLC

Email	kwinstead@rudylaw.net
Cell	615.500.8010
Work	615.515.3530
Address	100 Pebble Beach Drive Franklin, TN 37069

Term: 2020-2022

FRANKLIN TOMORROW



Mindy Tate – Chief Executive Officer

Franklin Tomorrow

Email	mindy@franklintomorrow.org
Cell	615.210.9401
Work	615.794.0998
Address (work)	198 E Main St., Ste. 205 Franklin, TN 37064 P.O. Box 383, Franklin, TN 37065



Emily Grayson – Operations & Programs Administrator

Franklin Tomorrow

Email	emily@franklintomorrow.org
Cell	615.630.3007
Work	615.794.0998
Address (work)	198 E Main St., Ste. 205 Franklin, TN 37064 P.O. Box 383, Franklin, TN 37065



Lane Neumann – Outreach Specialist / Franklin Fellow

Franklin Tomorrow

Email	lane@franklintomorrow.org
Cell	256.503.4128
Work	615.794.0998
Address (work)	198 E Main St., Ste. 205 Franklin, TN 37064 P.O. Box 383, Franklin, TN 37065



**Annual Reporting Form for Nonprofit Organizations
Seeking Financial Assistance from Local Governments**

Franklin Tomorrow Inc.

Name of Nonprofit Organization

198 E. Main St., Suite 205 Franklin Williamson TN 37064
Street Address City County State Zip

Annual Financial Report of Cash Receipts, Disbursements, and Balances

For the Fiscal Year from 1/1/2021 through 12/31/2021

Report Required by Title 5, Chapter 9, Part 1,
And Title 6, Chapter 54, Part 1, *Tennessee Code Annotated*

Receipts

Federal Grants	\$ 0.00	
State Grants	0.00	
Financial Assistance from Local Governments	25,092.00	
Donations and Gifts from Citizens	20,330.00	
Membership Dues	0.00	
Fees/Charges for Services	0.00	
Fundraising Events	205,594.00	
Sale of Assets	0.00	
Loans-Borrowed Funds		
Investment Income		
Other Receipts	28,097.00	
Total Receipts		\$ 279,113.00 (A)

Disbursements

Grants and Other Assistance Paid to Other Organizations and Individuals	\$ 0.00
Salaries and Wages	132,952.00
Employee Benefits	11,173.00
Payroll Taxes	8,924.00
Fees for Services (non-employee)	12,815.00
Advertising and Promotion	1,790.00
Office Expenses	19,364.00
Leases/Rentals	0.00
Maintenance and Repairs	0.00
Supplies	5,556.00
Travel	2,449.00

Utilities	0.00	
Insurance	2,776.00	
Conferences, Conventions and Meetings	20,757.00	
Interest	27.00	
Purchase of Capital Assets – Vehicles and Equipment	0.00	
Purchase of capital Assets – Property and Buildings	0.00	
Loan Payments		
Other	57,203.00	
Total Disbursements		\$ 275,786.00 (B)

Cash Receipts Less Disbursements for the fiscal Year (A-B=C) \$ 3,327.00 (C)

Cash Balance - at the beginning of the fiscal year \$ 215,146.00 (D)

Cash Balance - at the end of the fiscal year (C+D=E) \$ 218,473.00 (E)

Details of Cash Balance - at the end of the fiscal year

Cash on Hand	\$	
Cash in Bank – Checking	90,244.00	
Cash in Bank – Savings Accounts	49,481.00	
Cash in Bank – Certificates of Deposits		
Other Cash	50,006.00	
Total Cash - at the end of the fiscal year		\$ 189,731.00 (E)

Please Explain Proposed Use of the Financial Assistance from Local Governments.

Continuation and expansion of existing Franklin Tomorrow programs, such as Breakfast With the Mayors, FrankTalks, Get Fit Franklin/Find Hope Franklin, and Engage Franklin

Identification of new methods for citizen engagement and education, such as Civic Index, Newcomers' outreach and additional programming

I certify that this report accurately presents the cash receipts, disbursements, and balances of the Franklin Tomorrow Inc. for the fiscal year noted above.

Name of Nonprofit Organization

Person Preparing Report

Mindy Tate

Printed Name

Mindy M. Tate
Signature

Phone Number 615-794-0998

Email Address mindy@franklintomorrow.org

Date 3/21/2022

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: OCT 25 2005

FRANKLIN TOMORROW INC
C/O PATRICE MAYO-LIGON
1406 CANNON ST.
FRANKLIN, TN 37064-0000

Employer Identification Number:
62-1821869
DLN:
17053039094045
Contact Person:
MRS T FARR ID# 52404
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
February 4, 2005
Contribution Deductibility:
Yes
Advance Ruling Ending Date:
December 31, 2009

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

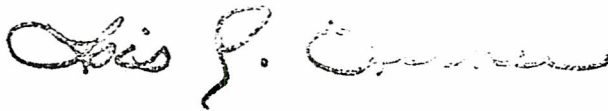
Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

Sincerely,

A handwritten signature in dark ink, appearing to read "Lois G. Lerner", written in a cursive style.

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)

Letter 1045 (DO/CG)

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
August 10, 2021

615-741-2555
Tom.Riley@tn.gov

Mindy Tate
Franklin Tomorrow Inc.
P.O. Box 383
Franklin, TN 37065

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Franklin Tomorrow Inc. - CO16742
Registration Expiration Date: **June 30, 2022**

Dear Mindy Tate:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS *Form 990*, *Form 990EZ*, or *990N* for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

bag:CO16742



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Gentry's Education Center at the Store Front, Inc

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

Gentry's Education Center at the Store Front is requesting \$31,100.00 to be leveraged with additional funds to provide Gentry's 2Gen Initiative (G2GI). G2GI will focus on creating opportunities for and addressing the educational needs of both children and their families together. This family-centered framework will 1) focus on the whole family, and 2) consider different approaches to improving outcomes for children and families to help them move forward. Funding will increase Gentry's teaching and counseling capacity. * Please refer to the attached documentation for further details regarding the program and this request.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

90% of students will attend 60 days or more in program activities.

70% of students will demonstrate a .4 grade level growth/gain in reading and math by the final benchmark in May 2023.

By May 2023, 70% of the students identified for counseling services will recognize their own individual strengths and challenges and can name at least two.

By May 2023, 70% of students who participated in counseling will rate their emotional well-being higher than they did in their first session as measured by a self-assessment of feelings.

At least 85% of parents will rate services provided by Gentry's as Helpful or Very Helpful and can name at least one idea – academic and/or emotional improvement – they plan to implement.

Fifty Percent (50%) of adult program participants will report an increased engagement in their child's education.

Twenty percent (20%) of adult program participants who set goals around education will enroll in and/or complete higher education or job skills programming.

*Please refer to the attached documentation for further details regarding the work plan and this request.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Gentry's Education Center at the Store Front, Inc

4. What is your fiscal year (ex. July 1 to June 30)? January 1 to December 31
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☐ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin? 6.0%

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Evelyn Hickerson

03/18/2022

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Evelyn Hickerson, Exec. Director

3/18/2022

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Gentry's Education Center at the Store Front, Inc

Attachments:

- ☐ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☒ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded **AND** the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency

**Gentry's Educational Foundation - Franklin Nonprofit Funding Request –
Fiscal Year 2022-2023 Application for Charitable and Civic Organizations**

***Additional Information**

Use of Funds: All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

The future prosperity of our community depends on the investments we make in our children and their families today.

For the past 11 years, Gentry's Education Center at the Store Front (Gentry's), a community-based 501c3, has worked in partnership with parents and the school communities of Williamson County and the Franklin Special School District (FSSD) to provide quality after school programming to address some of the most pressing academic and social needs of our students.

Gentry's mission is to assist and prepare young people in our community for school, work, and life. Our vision is that every child in the Gentry community will realize their own potential and have tools for a lifetime of success. We carry out our mission through tutoring, academic enrichment, and social development.

Gentry's Education Center at the Store Front is requesting \$31,100.00 to be leveraged with additional funds to provide Gentry's 2Gen Initiative (G2GI). G2GI will focus on creating opportunities for and addressing the educational needs of both children and their families together. This family-centered framework will 1) focus on the whole family, and 2) consider different approaches to improving outcomes for children and families to help them move forward.

Surveys are performed throughout the year to assist with continuous program improvement from our teachers, students, and families regarding activities that make learning fun. Gentry's teachers use formative and summative assessments to implement learning strategies to increase reading and math skill mastery for our students. But this past year was different. Surveys and focus groups with community partners and educators revealed more information about family needs in our community. COVID began as a health crisis but quickly turned into an economic crisis especially for families in poverty in Franklin. Parents living below the poverty level reported difficulties meeting basic economic needs for their families, such as paying for rent, food, utilities, clothing, health care, health insurance, transportation, and childcare. Even as the community is returning to its pre-COVID state, the risks of health disparities, food and housing insecurity, homelessness, unemployment due to lack of education or childcare are still evident. As a result, Gentry's assessed that a two-generation approach was seen as an effective intervention strategy to address the holistic needs of the entire family.

Funding for G2GI will be leveraged to serve 300 at-risk students with intense academic supports and up to 20 adult family members with core educational and counseling interventions from "inner city" Franklin. Families we serve from this area reflect a greater diversity in race and ethnicity than Franklin does overall and represents a greater proportion of individuals in poverty

–26.8% African American, 31.4% Hispanic, 35% White, and 6.8% Other; 68.8% of school aged children and 84.7% of younger children come from homes that are female headed and at or below the Federal Poverty Level. 48.8% families do not have health insurance and 15.9% of children do not health insurance. 30.8% of adults over 25 have not obtained a high school diploma and 30.9% are unemployed (data.census.gov). Children from this area also display higher rates of Adverse Childhood Experiences (ACEs), experience higher rates of homelessness, and English is not their primary language.

The COVID-19 pandemic introduced uncertainty into major aspects of our community, particularly our schools. However, the charts below (schools served by Gentry's programs) indicate with certainty how the pandemic impacted achievement. The need for interventions continues to be great, as some of the most vulnerable students prior to the pandemic have lost critical instructional time and social supports.

There are significant gaps in achievement rates for Black (B), Hispanic (H), economically disadvantaged (ED), English language learners (ELL), and students with disabilities (SWD) in both reading/language arts (ELA) and math.

The chart below indicates the percentage of students who are proficient in math and reading from Johnson Elementary School (JES) and Freedom Intermediate School (FIS) (<https://reportcard.tnedu.gov>).

	District	School	W	B	H	ED	ELL	SWD
JES								
ELA	48.7	29.2	34.7	15.2	27.8	6.7	17.6	<5
Math	51	32	40.9	15.2	36.1	10	35.3	<5
FIS								
ELA	46.2	47.1	61.8	19	32.5	15	24.4	9.4
Math	51	56.8	71.8	26.2	41.3	23.8	41.1	14.1

This chart indicates the percentage of students achievement overall (pre-pandemic) and the decline experienced since the onset of the pandemic (<https://reportcard.tnedu.gov>).

	2019 Pre-pandemic Achievement Rate	2021
JES		
ELA	55.9	26.4
Math	56.9	32
FIS		
ELA	55.4	47.1
Math	78.3	56.8

Work Plan (Performance Objectives): Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

- ❖ 90% of students will attend 60 days or more in program activities.
- ❖ 70% of students will demonstrate a .4 grade level growth/gain in reading and math by the final benchmark in May 2023.
- ❖ By May 2023, 70% of the students identified for counseling services will recognize their own individual strengths and challenges and can name at least two.
- ❖ By May 2023, 70% of students who participated in counseling will rate their emotional well-being higher than they did in their first session as measured by a self-assessment of feelings.
- ❖ At least 85% of parents will rate services provided by Gentry's as Helpful or Very Helpful and can name at least one idea – academic and/or emotional improvement – they plan to implement.
- ❖ Fifty Percent (50%) of adult program participants will report an increased engagement in their child's education.
- ❖ Twenty percent (20%) of adult program participants who set goals around education will enroll in and/or complete higher education or job skills programming.

G2GI will go from July 1, 2022, to June 30, 2023, encompassing after school and summer extended learning. Gentry's will target K-6TH grade students who are economically disadvantaged, at risk of academic failure, and/or with mental health needs. Gentry's will also create educational opportunities for family members using workshops, individual coaching, and access to community assets through our partnership network.

This program was developed using frameworks recommended by the Afterschool Alliance and 21st Century Community Learning Centers, the trauma-informed curriculum framework designed by the Tennessee Department of Education, and the Department of Human Services multi-generational intervention strategies.

Programming will be offered throughout the school year Monday through Thursday between 6:45-7:45 am and 3:00-6:00 pm. Certified teachers will tutor students to ensure mastery of reading and math curricula. Students' time will be allocated to skill development - 45 minutes of homework assistance and 1-2 hours of intensive, targeted tutoring in reading and math, and academic enrichment via STEM, art, and physical exercise. During this time Gentry's will offer ACEs interventions with resilience-focused treatment through responsive services for students through culturally competent, evidence-based practices, including crisis intervention. Licensed counselors will work to increase protective factors and reduce risk factors through individual counseling, family counseling, positive relationships with adults and participation in purposeful community service activities. In response to the possibility of continued social distancing, Gentry's will modify programs to accommodate virtual participation.

During the school year, the program will begin by analyzing students' initial abilities and needs based on standardized testing along with information from current teachers. Tutors work with students individually and in small groups of up to five. They will teach students skills through engaging project-based activities designed to meet students' academic needs while unlocking

new opportunities. ACEs interventions will begin with workshops to train teachers and parents in identifying students with mental health needs. They will refer students through a short checklist - Strengths and Difficulties Questionnaire (SDQ) – to accurately determine child’s current needs, based on the intensity and scope of the problem. Counselors will meet with the child, teacher, and/or parent to plan the most appropriate approach for the child before beginning services. Counselors will provide parents and teacher support through individual meetings and conduct cognitive behavioral counseling for individual students whose SDQ scores indicate the need for individual mental health services. Intervention will also include purposeful community service projects.

Counselors, in collaboration with our community of partners, will provide educational opportunities for adult family members via monthly workshops and individual coaching in the following areas: community assets and programs, HiSet (High School Equivalency), employment skill development, job search and readiness, housing, financial literacy, social-emotional learning and ACEs, and childhood development.

The Summer Academy will be held from 8:00 am to 3:00 pm Monday-Friday, June 2023. Certified teachers will facilitate learning through combined reading and math tutoring with project-based activities. The Summer Academy builds on student success by continuing to use project-based learning driven by student interests while incorporating necessary instruction in reading and math. Educational opportunities will continue for the adult family members in the summer as well.

City of Franklin Request	Price	Number of Staff	Total
Tutors (Reading/Math) @ \$20.00/hour x 2 hours/day x 155 days (School Year 2022-2023)	\$6,200.00	2	\$12,400.00
Math/Reading Tutor @ \$20.00/hour x 4 hours/day x 20 days (Summer 2023)	\$1,600.00	2	\$3,200.00
Program counselor @ \$25.00/hour x 2 hours/day x 155 days (2022-2023)	\$7,750.00	2	\$15,500.00

Gentry’s projected revenue budget for the 2022-2023 year is \$517,350.00. The request of \$31,100.00 represents 6% of this budget. Adding additional tutors will allow for increased one-on-one intensive tutoring for students significantly below grade level (2 or more grades behind in reading) or not performing at proficient reading levels based on TN Department of Education Common Core standards. One-on-one tutoring will allow for increased focus on specific learning needs and produce quicker learning and mastery of skills in standards-aligned reading goals.

After school centers with staff counselors are often helpful in identifying the emotional health care needs of children, partly because most children spend much of their time in after school activities, and partly because these centers are accessible to students and families in low-income and under-served racial and ethnic minority groups. This environment serves as a

community hub that integrates social and health services, extended learning opportunities, family and community engagement, and collaborative leadership to effectively provide services to family members and students.

Students will be assessed throughout the year using STAR Renaissance Math and Reading to determine progress and expected performance on the annual state standardized assessment. Students receiving ACEs services will be assessed using the Strengths and Difficulties Questionnaire (SDQ) to determine need for services and gauge progress during program participation. Gentry's will also utilize family participation to enhance students' academic and social development through day-to-day interactions and planned activities. Family member progress will be captured via questionnaires and progress reports indicating increased engagement in their child's education, strategies to promote their child's development, and community assets they identified and used to enhance their lives.

While various types of risk factors exist for impoverished households (such as including single parent or single income households and low parental education), the best protection against further generational poverty is holistic intervention with access to the labor market, quality childcare, and adequate employment and education for families.

**Gentry's Addendum to the Annual Reporting Form for Nonprofit Organizations
Seeking Financial Assistance from Local Governments FY2022-2023**

**Please Explain Proposed Use of the Financial Assistance from Local
Governments:**

Gentry's Education Center at the Store Front is requesting \$31,100.00 to be leveraged with additional funds to provide Gentry's 2Gen Initiative (G2GI). G2GI will focus on creating opportunities for and addressing the educational needs of both children and their families together. This family-centered framework will 1) focus on the whole family, and 2) consider different approaches to improving outcomes for children and families to help them move forward. Funding will increase our capacity with additional teachers and counselors.

**Gentry's Education Center at the Store Front, Inc.
Board of Directors 2022**

Name: Evelyn Hickerson * Executive Director (Non-Voting)
Employer: Retired-Franklin Special School District Email: hickersoneve@fssd.org
Telephone: (615) 925-1033
Term: N/A

Name: Benjamin Sohr * Board Chair
Pencil & Paper Creative Development Co. Email: benjamin@pencilandpaperco.com
Telephone: (415) 505-6248
Term: August 2022

Name: Jorge Dominicis Co-Chair
Correct Care Solutions Email: jdomincis@correctcaresolutions.com
Telephone: (561) 213-2476
Term: August 2022

Name: Erin Lefkovitz *Secretary
Employer: Gentry's Educational Foundation Email: erinlefkovitz@gmail.com
Telephone: (615) 419-8515
Term: August 2022

Name: Louis Upkins
Employer: Entrepreneur Email: lupkins@louisupkins.com
Telephone: (615) 477-3856
Term: August 2022

Name: Victoria Carter
Project for Neighborhood Aftercare Email: victoria@pnatn.org
Telephone: (615) 906-7460
Term: August 2022

Advisory Board Members

Mr. Robert Blair, FSSD Board of Education Chairman, Franklin Special School District,
mediablair@gmail.com

Mrs. Connie McKee, Curriculum and Development Specialist, Grant Connections,
connie@grantconnections.org

*Honorary Board Members
Scott and Tracie Hamilton



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/29/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Commercial Insurance Associates, LLC 103 Powell Court, Ste 200 Brentwood TN 37027		CONTACT NAME: Kattie Wilson PHONE (A/C, No, Ext): 615-515-6054 E-MAIL ADDRESS: kwilson@com-ins.com FAX (A/C, No): 615-515-6000	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Markel Insurance Company	
		INSURER B: Property and Casualty Insurance Company of Hartford	
		INSURER C:	
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 1055987713

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:			CCP332304	4/25/2022	4/25/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY			CCP332304	4/25/2022	4/25/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N	N / A	20WECAH8BXT 20WECAH8BXT	9/23/2021 9/23/2021	9/23/2022 9/23/2022	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Property			CCP332304	4/25/2022	4/25/2023	BPP 25,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Educators' Liability Coverage Endorsement - Policy No. CCP3323-04 - \$1,000,000 Each Act/\$2,000,000 Aggregate - Retroactive Date: 4/15/2017

Abuse or Molestation Endorsement - Policy No. CCP3323-04 - \$1,000,000 Each Person/\$2,000,000 Aggregate

CERTIFICATE HOLDER

CANCELLATION

City of Franklin
109 3rd Ave. South
Franklin TN 37064

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Annual Reporting Form for Nonprofit Organizations
Seeking Financial Assistance from Local Governments

Gentry Educational Center at the Store Front, Inc.

Name of Nonprofit Organization

4221 Warren Road Franklin Williamson TN 37067
Street Address City County State Zip

Annual Financial Report of Cash Receipts, Disbursements, and Balances

For the Fiscal Year from 01/01/2021 through 12/31/2021

Report Required by Title 5, Chapter 9, Part 1,
And Title 6, Chapter 54, Part 1, Tennessee Code Annotated

Receipts

Federal Grants	\$ 113,899.56	
State Grants	143,371.95	
Financial Assistance from Local Governments	22,750.00	
Donations and Gifts from Citizens	26,195.27	
Membership Dues		
Fees/Charges for Services	51,842.90	
Fundraising Events		
Sale of Assets		
Loans-Borrowed Funds		
Investment Income		
Other Receipts	149,189.41	
Total Receipts		\$ 507,249.09 (A)

Disbursements

Grants and Other Assistance Paid to Other Organizations and Individuals	\$	
Salaries and Wages	236,412.74	
Employee Benefits		
Payroll Taxes	18,085.58	
Fees for Services (non-employee)	197,362.39	
Advertising and Promotion		
Office Expenses	3,712.69	
Leases/Rentals		
Maintenance and Repairs		
Supplies	5,943.67	
Travel		

Utilities		
Insurance	6,182.00	
Conferences, Conventions and Meetings	9,942.29	
Interest	57.50	
Purchase of Capital Assets – Vehicles and Equipment		
Purchase of capital Assets – Property and Buildings		
Loan Payments		
Other	12,749.73	
Total Disbursements		\$ 490,448.59 (B)
Cash Receipts Less Disbursements for the fiscal Year (A-B=C)		\$ 16,800.50 (C)
Cash Balance - at the beginning of the fiscal year		\$ 136,332.89 (D)
Cash Balance - at the end of the fiscal year (C+D=E)		\$ 153,133.39 (E)
Details of Cash Balance - at the end of the fiscal year		
Cash on Hand	\$	
Cash in Bank – Checking	110,121.06	
Cash in Bank – Savings Accounts	69,982.69	
Cash in Bank – Certificates of Deposits		
Other Cash	1,056.57	
Total Cash - at the end of the fiscal year		\$ 181,160.32 (E)

Please Explain Proposed Use of the Financial Assistance from Local Governments.

I certify that this report accurately presents the cash receipts, disbursements, and balances of the Gentry Education Center at the Store Front, Inc. for the fiscal year noted above.

Name of Nonprofit Organization

Person Preparing Report

Kevin A. Hopkins

Printed Name

Kevin A. Hopkins

Signature

Phone Number 615-673-1120

Email Address kevin@hopkinspage.com

Date 03/15/2022

***GENTRY'S EDUCATION CENTER
@ THE STORE FRONT, INC.
(A Nonprofit Organization)***

**Financial Statements
With Independent Accountant's Review
Report Thereon
For The Years Ended December 31, 2021 and 2020**



GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.

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Statements of Functional Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6



Independent Accountant's Review Report

To the Board of Directors of
Gentry's Education Center @ The Store Front, Inc.

We have reviewed the accompanying financial statements of Gentry's Education Center @ The Store Front, Inc., which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Gentry's Education Center @ The Store Front, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in blue ink, appearing to read 'Miller CPA, PLLC', is written over the printed name.

Miller CPA, PLLC
Murfreesboro, TN
March 26, 2022

GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and equivalents	\$ 181,161	\$ 136,268
Grants and accounts receivable, net	<u>31,249</u>	<u>43,533</u>
Total current assets	212,410	179,801
 PROPERTY AND EQUIPMENT, NET	 <u>8,343</u>	 <u>3,743</u>
 TOTAL ASSETS	 <u><u>\$ 220,753</u></u>	 <u><u>\$ 183,544</u></u>
 CURRENT LIABILITIES		
Accounts payable	\$ 27,039	\$ 13,756
Accrued liabilities	<u>30,647</u>	<u>18,776</u>
Total current liabilities	57,686	32,532
 NET ASSETS		
Net assets without donor restrictions	163,067	151,012
Net assets with donor restrictions	<u>-</u>	<u>-</u>
Total net assets	<u>163,067</u>	<u>151,012</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 220,753</u></u>	<u><u>\$ 183,544</u></u>

See accompanying notes to financial statements and independent accountant's review report.

GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	2021			2020		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Totals	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Totals
PUBLIC SUPPORT AND REVENUE						
Public support						
Grant income	\$ 58,200	\$ 348,335	\$ 406,535	\$ 18,035	\$ 280,442	\$ 298,477
Contributions	79,299	-	79,299	100,538	-	100,538
Total public support	137,499	348,335	485,834	118,573	280,442	399,015
Revenue						
Program fees	16,670	-	16,670	24,428	-	24,428
Miscellaneous income	-	-	-	8,802	-	8,802
Total revenue	16,670	-	16,670	33,230	-	33,230
Released from restrictions	348,335	(348,335)	-	288,442	(288,442)	-
Total public support and revenue	502,504	-	502,504	440,245	(8,000)	432,245
EXPENSES						
Program services	400,164	-	400,164	320,321	-	320,321
Management and general	59,099	-	59,099	46,589	-	46,589
Fundraising	31,185	-	31,185	34,482	-	34,482
Total expenses	490,449	-	490,449	401,392	-	401,392
Increase (decrease) in net assets	12,055	-	12,055	38,853	(8,000)	30,853
Net assets at beginning of year	151,012	-	151,012	112,159	8,000	120,159
Net assets at end of year	\$ 163,067	\$ -	\$ 163,067	\$ 151,012	\$ -	\$ 151,012

See accompanying notes to financial statements and independent accountant's review report.

GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	2021				2020			
	Program Services	Management and General	Fund- raising	Total Expenses	Program Services	Management and General	Fund- raising	Total Expenses
Payroll and tutors	\$ 360,046	\$ 36,823	\$ 12,275	\$ 409,144	\$ 294,195	\$ 30,088	\$ 10,030	\$ 334,313
Payroll taxes	15,918	1,625	542	18,085	13,242	1,352	451	15,045
Total compensation	375,964	38,448	12,817	427,229	307,437	31,440	10,481	349,358
Contract services	200	776	-	976	-	-	-	-
Professional fees	-	8,700	7,715	16,415	-	9,902	8,780	18,682
Depreciation	4,748	-	-	4,748	4,748	-	-	4,748
Class materials and supplies	5,944	-	-	5,944	2,150	-	-	2,150
Special events	4,886	-	-	4,886	-	-	-	-
Staff and volunteer appreciation	-	3,169	-	3,169	-	60	-	60
Conferences and meetings	1,059	-	-	1,059	117	-	-	117
Meals and snacks	53	-	-	53	-	135	-	135
Office supplies	-	1,106	-	1,106	-	2,839	-	2,839
Background checks	141	-	-	141	105	-	-	105
Insurance	6,182	-	-	6,182	5,549	-	-	5,549
Licenses and permits	-	-	-	-	-	1,446	-	1,446
Postage and delivery	232	-	-	232	57	-	-	57
Bank fees	217	-	-	217	99	-	-	99
Grant writing	-	-	7,322	7,322	-	-	14,850	14,850
Miscellaneous	538	6,900	3,331	10,769	59	767	371	1,197
Total expenses	<u>\$ 400,164</u>	<u>\$ 59,099</u>	<u>\$ 31,185</u>	<u>\$ 490,448</u>	<u>\$ 320,321</u>	<u>\$ 46,589</u>	<u>\$ 34,482</u>	<u>\$ 401,392</u>

See accompanying notes to financial statements and independent accountant's review report.

GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2021</u>	<u>2020</u>
Increase in net assets	\$ 12,055	\$ 30,853
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	4,748	4,748
Decrease in operating assets:		
Grants and accounts receivable, net	12,284	8,607
(Decrease) increase in operating liabilities:		
Accounts payable	13,283	(6,449)
Accrued liabilities	<u>11,871</u>	<u>(1,227)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	54,241	36,532
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	<u>(9,348)</u>	<u>(6,115)</u>
NET INCREASE IN CASH AND EQUIVALENTS	44,893	30,417
CASH AND EQUIVALENTS AT BEGINNING OF YEAR	<u>136,268</u>	<u>105,851</u>
CASH AND EQUIVALENTS AT END OF YEAR	<u>\$ 181,161</u>	<u>\$ 136,268</u>

See accompanying notes to financial statements and independent accountant's review report.

GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 and 2020

NOTE A—NATURE OF ACTIVITIES, BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Gentry's Education Center @ the Store Front, Inc. (the "Organization") is a nonprofit tutoring and enrichment afterschool and summer camp program serving students in the Franklin Special School District in Williamson County, Tennessee. Services are provided to students for an affordable registration fee. Enrichment classes are provided for an additional nominal fee.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis.

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 revenue and other support and expenses during the reporting period. Actual results could differ from those estimates.

Financial Statement Presentation

The Organization presents its financial statements in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, *Financial Statements for Not-for-Profit Organizations*. Accordingly, the Organization reports information regarding its financial position and activities according to the two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Net Assets Without Donor Restrictions

Net assets without donor restrictions include unrestricted resources which represent the portion of funds that are available for the operating objectives of the Organization.

Net Assets with Donor Restrictions

Net assets with donor restrictions consist of donor restricted contributions and grants. Amounts restricted by donors for a specific purpose are deemed to be earned and reported as restricted revenue when received, and such unexpended amounts are reported as net assets with donor restrictions at year-end. When the donor restriction expires, that is, when a stipulated time 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".

Net assets with donor restrictions also consist of donor restricted contributions, which are required to be held in perpetuity. Income from the assets held is available for either general operations or specific purposes, in accordance with donor stipulations.

Contributions

Contributions are recognized as revenue when received or unconditionally pledged. All contributions are available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 and 2020

NOTE A—NATURE OF ACTIVITIES, BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Equivalents

Cash and equivalents include cash on hand and any short-term investments with original maturities of three months or less.

Grants and Accounts Receivable, Net

Grants and accounts receivable consist of accounts and grants due in less than one year, recorded at their realizable value upon receipt. Accounts with balances greater than 30 days old are considered past due. Uncollectible receivables and grants are charged off through the allowance for doubtful accounts when management determines the accounts receivable or grants will not be collected, and all methods of collection have been exhausted. An allowance for doubtful collectability is provided based on management's evaluation of potential uncollectible grants and accounts receivable at year-end. As of December 31, 2021 and 2020, management has estimated the allowance for doubtful collectability to be \$-0-.

Property and Equipment, Net

The Organization capitalizes all property and equipment expenditures with a cost of \$500 or more and having estimated useful lives of more than one year. Property and equipment are recorded at cost or, for donated items, at fair value as of the date received. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance and repairs are charged to expense when incurred.

When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statement of activities for the respective period. Depreciation is computed using the straight-line method over the estimated useful lives of 5 years.

Functional Expenses

Expenses are summarized and categorized based upon their functional classifications as either program, management and general or fundraising. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, the expenses require allocations on a reasonable basis that is consistently applied. Functional expenses are allocated based on the actual costs incurred and time spent on activities.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and did not conduct unrelated business activities. Therefore, the Organization has made no provision for federal income taxes in the accompanying financial statements. The Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a)(2) of the Internal Revenue Code.

The Organization has evaluated its tax positions for all open tax years. Currently, the tax years of December 31, 2020, 2019, 2018 and 2017 remain open and subject to examination by the Internal Revenue Service. However, the Organization is not currently under audit nor has the Organization been contacted by any jurisdiction. Based on the evaluation of the Organization's tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the years ended December 31, 2021 and 2020.

GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 and 2020

NOTE A—NATURE OF ACTIVITIES, BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain reclassifications were required to be made to 2020 to conform to the presentation for 2021.

NOTE B—GRANTS AND ACCOUNTS RECEIVABLE, NET

For the years ended December 31, 2021 and 2020, grants and accounts receivable consisted of funds due from separate grants from the Tennessee Department of Education totaling \$31,249 and \$43,533, respectively.

NOTE C—PROPERTY AND EQUIPMENT, NET

As of December 31, 2021 and 2020, property and equipment consist of computers and video equipment with totaling costs of \$43,624 and \$34,267, respectively and the related accumulated depreciation totaling \$35,281 and \$30,533, respectively, resulting in a net book value totaling \$8,343 and \$3,743, respectively.

During each of the years ended December 31, 2021 and 2020 depreciation expense totaled \$4,748.

NOTE D—PAYROLL PROTECTION PROGRAM NOTE PAYABLE FORGIVENESS

During the year ended December 31, 2020, the world entered a pandemic due to COVID-19. To assist entities through economic downturn due to the pandemic, the United States government offered the Payroll Protection Program. Through this program, the government provided funds equal to two and a half months payroll originally as a note payable. These funds were to be used for payroll and the related cost, utilities and rent payments. If these funds are used for these purposes, the note payable would be forgiven.

During the years ended December 31, 2021 and 2020 the Organization received funds totaling \$45,830 and \$45,757 through the program and spent the funds for the designated purposes. As of December 31, 2021, the notes had been formally forgiven. Since the funds were spent for the designated purposes, it is more likely than not that the Payroll Protection Program note payable will be forgiven. Therefore, the Organization has recorded the funds as a grant in the period the reimbursed disbursements were paid.

NOTE E—AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as December 31, 2021 and 2020, reduced by amounts not available for general use because of donor imposed restrictions within one year of December 31, 2021 and 2020:

	2021	2020
Financial assets, at year-end	\$ 181,161	\$ 136,268
Less those unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	-	-
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 181,161</u>	<u>\$ 136,268</u>

GENTRY'S EDUCATION CENTER @ THE STORE FRONT, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 and 2020

NOTE E—AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)

The Organization is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it sends out cash as the restricted grants come in and maintains a level of cash related to contributions without donor restrictions.

NOTE F—RISK CONCENTRATION

At times throughout the year, the Organization may maintain cash balances in certain accounts in excess of Federal Deposit Insurance Corporation ("FDIC") limits which have been established to be \$250,000 for substantially all depository accounts. The Organization as of December 31, 2021 and 2020 had no cash balances in excess of the FDIC limit.

For the year ended December 31, 2021, approximately 22% and 28%, respectively, of the Organization's revenue came from the LEAPS program and the 21st Century Community Learning Centers Grant Program with the Tennessee Department of Education.

For the year ended December 31, 2020, approximately 28% and 21%, respectively, of the Organization's revenue came from the LEAPS program and the 21st Century Community Learning Centers Grant Program with the Tennessee Department of Education.

NOTE G—CASH FLOW INFORMATION

There were no cash outflows for interest or income taxes during the years ended December 31, 2021 and 2020.

NOTE H—SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 26, 2022 which is the date the financial statements were available to be issued. There have been no adjustments to the financial statements to include any subsequent transactions or events.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: APR 12 2011

GENTRY'S EDUCATION CENTER AT THE
STORE FRONT INC
2226 HENPECK LN
FRANKLIN, TN 37064

Employer Identification Number:
27-1202003
DLN:
401080085
Contact Person:
JEFFERY A CULLEN ID# 31215
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
December 30, 2009
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
September 22, 2021

615-741-2555
Tom.Riley@tn.gov

Evelyn Hickerson
Gentry's Education Center @ the Store Front, Inc.
4221 Warren Road
Franklin, TN 37067

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Gentry's Education Center @ the Store Front, Inc. - CO20587
Registration Expiration Date: **June 30, 2022**

Dear Evelyn Hickerson:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS Form 990, Form 990EZ, or 990N for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

AB:CO20587

sos.tn.gov



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Valencia Breckenridge
Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: GraceWorks Ministries

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

We are open year-round except from Christmas Day through New Year's Day. Staff are on call during that time for emergencies.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

Funds awarded would be used for rent and utility bill assistance.
While GraceWorks serves thousands of residents annually in the City of Franklin for 26 years with many types of needs, we are asking the City of Franklin for \$25,000 to assist residents with one basic need – shelter. This amount would add \$2,083 a month to our Shelter Fund, which provides rent assistance, utility bill assistance, heating and cooling for our neighbors in Franklin. This can provide 13 utility payments or two rent assistance payments per month.
In fiscal year 2020-2021 GraceWorks served 1,341 unduplicated Franklin Neighbors with our Food, Shelter, and Support programs. Franklin residents were 12% of the total 11,033 unduplicated neighbors served that year. Of those Franklin residents served, 460 were given rent and utility assistance.
These numbers do not reveal the entire scope of GraceWorks' service to Franklin residents, as Neighbors can receive rent assistance once a year and utility bill help up to three times a year. The average assistance given for rent per family is \$880, and the average assistance for utility bills is \$163. GraceWorks raised the amount for rent from last year's \$530 to help our Neighbors meet rising rent costs.
Our Neighbors are not required to, but some provide a portion of the bill when they can without causing further economic distress.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

During the height of the pandemic GraceWorks provided rent and utility help over the phone only. As conditions have eased, Neighbors can choose either phone or in-person compassionate conversations that identify their need and help identify the many ways GraceWorks could support them through a crisis. The pandemic led to record numbers of requests in fiscal year 2019-20. Numbers have decreased in this past fiscal year 2020-21 but are still 10% higher than pre-COVID requests. Attainable housing is more difficult to obtain with rising rent costs. RentCafe reports average rent in Franklin rose 28%, or \$400 per month, from March 2021 to March 2022. GraceWorks' capacity for rent support is stretched as we have raised average rent assistance from \$530 last year to \$880 to provide more adequate assistance. Williamson County residents who exhibit one of two financial situations qualify for GraceWorks services: 1. Household incomes at or below 250% of the federal poverty guideline (FPG). 100 % of the 2022 FPG is \$27,750 for a family of four. 2. Experiencing situational poverty – a condition caused by a sudden event such as death, divorce, loss of employment, or illness and is often temporary. Each family must verify their need(s) to receive financial assistance. Verification includes documentation to verify their home address and documentation to reveal financial standing and overdue bill status.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☐ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Valencia A. Breckenridge	03/21/2022
---------------------------------	-------------------

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Valencia Breckenridge

Signature of (CEO/President/Executive Director/Board Chair)

03/21/2022

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



City of Franklin

Vendor Information Form

Vendor Name

GraceWorks Ministries

Vendor ID (For
Office Use)

Contact Name

Alicia Bell

Contact Email Address

abell@graceworksministries.net

Physical Street Address

104 Southeast Parkway

Remittance Address, if different

City, State ZIP

Franklin, TN 37064

City, State ZIP

Phone Number

6157949055

Email Address for ACH Remittance

In order to ensure timely payment, the City of Franklin encourages vendors to receive payment via direct deposit. Should you select ACH, a remittance will be emailed to you showing pertinent payment information.

Payment Mode

☐ ACH

☐ Check

Name of Financial Institution

Routing Number

Account Number

I/we hereby authorize the City of Franklin to initiate credit entries to my/our account listed above and authorize the financial institution to credit the same to my/our account. It is my/our responsibility to notify the City of Franklin Finance Department immediately if I/we become aware of any changes in status or bank information. If funds to which I/we am/are not entitled are deposited in error to my/our account, the City of Franklin is authorized to direct the financial institution to return the funds via an ACH debit transaction. This order will remain in effect until submission in writing to the Finance Department.

Authorized Signature

Date

Please submit this form along with a W-9. The forms can be emailed to accountspayable@franklintn.gov or mailed to P O Box 295, Franklin, TN 37065.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	
	☐ Individual/sole proprietor or single-member LLC	
	☐ C Corporation	
	☐ S Corporation	
	☐ Partnership	
☐ Trust/estate		
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ►		
Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.		
☐ Other (see instructions) ►		
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):		
Exempt payee code (if any) _____		
Exemption from FATCA reporting code (if any) _____		
(Applies to accounts maintained outside the U.S.)		
5 Address (number, street, and apt. or suite no.) See instructions.		
Requester's name and address (optional)		
6 City, state, and ZIP code		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
				-			-		
or									
Employer identification number									
				-					

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign
Here

Signature of
U.S. person ►

Date ►

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

Utilities	_____	
Insurance	_____	
Conferences, Conventions and Meetings	_____	
Interest	_____	
Purchase of Capital Assets – Vehicles and Equipment	_____	
Purchase of capital Assets – Property and Buildings	_____	
Loan Payments	_____	
Other	_____	
Total Disbursements		\$ <u>0</u> (B)

Cash Receipts Less Disbursements for the fiscal Year (A-B=C) \$ 0 (C)

Cash Balance - at the beginning of the fiscal year \$ _____ (D)

Cash Balance - at the end of the fiscal year (C+D=E) \$ 0 (E)

Details of Cash Balance - at the end of the fiscal year

Cash on Hand	\$ _____	
Cash in Bank – Checking	_____	
Cash in Bank – Savings Accounts	_____	
Cash in Bank – Certificates of Deposits	_____	
Other Cash	_____	
Total Cash - at the end of the fiscal year		\$ <u>0</u> (E)

Please Explain Proposed Use of the Financial Assistance from Local Governments.

I certify that this report accurately presents the cash receipts, disbursements, and balances of the _____ for the fiscal year noted above.

Name of Nonprofit Organization

Person Preparing Report

Printed Name

Valencia Breckenridge

Signature

Phone Number _____ **Email Address** _____ **Date** _____

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/16/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 903 Murfreesboro Rd. Franklin, TN 37064 615 790-0990		CONTACT NAME: Jill Holzen PHONE (A/C, No, Ext): 615-790-0990 E-MAIL ADDRESS: jill.holzen@usi.com FAX (A/C, No):	
INSURED GraceWorks Ministries Inc. 104 SE PARKWAY STE 100 FRANKLIN, TN 37064		INSURER(S) AFFORDING COVERAGE INSURER A : The Cincinnati Insurance Company INSURER B : Wesco Insurance Company INSURER C : INSURER D : INSURER E : INSURER F :	
		NAIC # 10677 25011	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:			ETD0541356	06/11/2021	06/11/2022	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$500,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000 \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS NON-OWNED AUTOS ONLY			ETD0541356	06/11/2021	06/11/2022	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ EXCESS LIAB ☐ DED ☐ RETENTION \$			ETD0541356	06/11/2021	06/11/2022	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? ☒ Y ☒ N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WWC3531667	06/11/2021	06/11/2022	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

City of Franklin
 Attn: City Administrator
 109 Third Ave. South
 P.O. Box 305
 Franklin, TN 37065-0305

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

B. M. Cant

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GraceWorks Board of Directors Contact List August 21, 2020

	Position	Email	Term Expiration Date
Valencia Breckenridge	CEO (Non-Voting Member)	valencia@graceworksministries.net	CEO, GraceWorks
Rodney Chester	Director	rodney.chester@greshamsmith.com	June 2022
Tim Cochran	Director	timcochran4110@gmail.com	June 2023
Gina Drummonds	Director	ginadrummonds@comcast.net	June 2021
Chastity Fox	Director	chastitybfox@gmail.com	June 2023
Courtney Hatfield	Director	chatfield@mhamidsouth.org	June 2022
Matthew Hayes	Director	matthew@humancapitalgroup.com	June 2022
Michael Holley	Treasurer	michael.Holley@syndigo.com	June 2021
Carol Lloyd	Director	carol.lloyd@vumc Tlloyd123@comcast.net	June 2021
Laura McWhorter	Secretary	Laura.mcwhorter@hcahealthcare.com	June 2023
Sarah Pierce	Chairman of the Board	Sarah.pierce@hcahealthcare.com csmkpierce@comcast.net	June 2021
Sharmila Patel	Director	spatel@tmagroup.org	June 2022
Jaime Settles	Director	jaime.settles@ML.com	June 2022
Anita Stephens	Director	Anita.stephens@comcast.net	June 2021
Charles Williams	Director	crwill65@gmail.com	June 2022
Bill Wright	Vice Chair of the Board	William.Wright2@HCAhealthcare.com williamwright64@gmail.com	June 2021
Marvin Young	Director	oneheartacts432@aol.com	June 2022

8/21/2020

2021

Financial Statements With Auditor's Letters

GRACEWORKS MINISTRIES, INC.

FINANCIAL STATEMENTS

JUNE 30, 2021

WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

(With Independent Auditor's Report Thereon)

GRACEWORKS MINISTRIES, INC.
FINANCIAL STATEMENTS
JUNE 30, 2021
WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

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PATTERSON, HARDEE & BALLENTINE, P.C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of GraceWorks Ministries, Inc.

We have audited the accompanying financial statements of GraceWorks Ministries, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GraceWorks Ministries, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the GraceWorks Ministries, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 19, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Patterson Hardee & Ballentine

December 20, 2021

GRACEWORKS MINISTRIES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021
WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Current Assets:		
Cash and restricted cash	\$ 3,034,570	\$ 1,795,256
Accounts receivable	-	74,250
Investments	83,204	-
Inventory	818,003	546,383
Prepaid expenses	8,924	15,286
Total current assets	<u>3,944,701</u>	<u>2,431,175</u>
Property and Equipment:		
Vehicles	267,387	267,387
Property and equipment	144,410	116,514
Leasehold improvements	141,586	141,586
	<u>553,383</u>	<u>525,487</u>
Less: accumulated depreciation	(303,589)	(209,906)
Total property and equipment, net	<u>249,794</u>	<u>315,581</u>
Assets Whose Use is Limited:		
Investment - endowment	563,438	515,346
Total assets whose use is limited	<u>563,438</u>	<u>515,346</u>
Total assets	<u>\$ 4,757,933</u>	<u>\$ 3,262,102</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable	\$ 23,269	\$ 22,809
Payroll liabilities	40,287	57,907
Deferred revenue	69,998	109,132
Accrued expenses	7,256	15,409
Total current liabilities	<u>140,810</u>	<u>205,257</u>
Long-term Liability		
Bank loan	-	267,500
Total liabilities	<u>140,810</u>	<u>472,757</u>
Net Assets:		
Without donor restrictions	3,830,799	2,140,151
With donor restrictions	786,324	649,194
Total net assets	<u>4,617,123</u>	<u>2,789,345</u>
Total liabilities and net assets	<u>\$ 4,757,933</u>	<u>\$ 3,262,102</u>

See accompanying notes to financial statements.

GRACEWORKS MINISTRIES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021
WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total 2021	Total 2020
Public Support and Revenue:				
Gross special event revenue	\$ 525,611	\$ 75,895	\$ 601,506	\$ 444,951
Less direct cost of special events	84,077	-	84,077	107,466
Net special events revenue	441,534	75,895	517,429	337,485
Public Support:				
In-kind donations	4,128,502	4,100	4,132,602	4,209,634
Grants	703,996	90,516	794,512	352,167
Individual contributions	1,322,133	238,452	1,560,585	1,348,898
Business donations	208,116	36,918	245,034	159,400
Church contributions	335,278	28,805	364,083	389,830
Net assets released from net assets with donor restrictions	339,414	(339,414)	-	-
Total public support	7,478,973	135,272	7,614,245	6,797,414
Program and Other Revenue:				
Store income	952,026	-	952,026	815,516
Neighbor assistance payments	7,403	-	7,403	74,873
Investment income, net	116,969	-	116,969	7,663
Total program and other revenue	1,076,398	-	1,076,398	898,052
Total revenue	8,555,371	135,272	8,690,643	7,695,466
Expenses:				
Program services				
Food programs	3,506,632	-	3,506,632	4,966,567
Shelter programs	546,666	-	546,666	455,992
Other programs	1,451,580	-	1,451,580	698,986
Total program services	5,504,878	-	5,504,878	6,121,545
Supporting Services				
Management and general	1,101,370	-	1,101,370	421,401
Fundraising & special events	256,617	-	256,617	379,972
Total supporting services	1,357,987	-	1,357,987	801,373
Total expenses	6,862,865	-	6,862,865	6,922,918
Change in net assets	1,692,506	135,272	1,827,778	772,548
Net assets - beginning of year	2,138,293	651,052	2,789,345	2,016,797
Net assets - end of year	\$ 3,830,799	\$ 786,324	\$ 4,617,123	\$ 2,789,345

See accompanying notes to financial statements.

GRACEWORKS MINISTRIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021
WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

	Program Services				Supporting Services		Total	Total
	Food	Shelter	Support	Total Program	Management and General	Fundraising & Special Events	2021	2020
Salaries	\$ 263,575	\$ 202,845	\$ 573,864	\$ 1,040,284	\$ 227,104	\$ 237	\$ 1,267,625	\$ 1,103,515
Payroll taxes and benefits	21,004	16,164	45,731	82,899	184,604	-	267,503	189,003
Total payroll and related expenses	284,579	219,009	619,595	1,123,183	411,708	237	1,535,128	1,292,518
Advertising	-	-	-	-	7,883	1,194	9,077	2,931
Bad debt expense	-	-	-	-	2	-	2	7,236
Client services	194,225	315,322	-	509,547	1,087	225,536	736,170	754,256
Continuing education	-	-	-	-	374	9,717	10,091	9,528
Depreciation and amortization	-	-	-	-	93,684	-	93,684	82,081
Dues and subscriptions	-	-	-	-	8,899	-	8,899	2,068
Fundraising	-	-	-	-	-	84,077	84,077	107,466
General & IT repairs and maintenance	-	-	-	-	88,319	111	88,430	92,868
General administration expenses	-	-	-	-	46,716	716	47,432	30,742
In-kind expenses	3,027,828	-	815,516	3,843,344	-	-	3,843,344	4,196,500
Insurance	-	-	-	-	37,919	-	37,919	34,594
Licenses and fees	-	-	-	-	260	-	260	276
Merchant and bank fees	-	-	-	-	56,371	447	56,818	58,707
Mileage and expense reimbursement	-	-	-	-	9,461	-	9,461	9,433
Office supplies	-	-	-	-	15,468	283	15,751	10,608
Postage and freight	-	-	-	-	1,482	-	1,482	1,397
Printing	-	-	-	-	11,112	17,978	29,090	22,041
Professional services	-	-	-	-	101,009	-	101,009	76,003
Property taxes	-	-	-	-	270	-	270	3,772
Rent	-	-	-	-	175,874	-	175,874	175,800
Store supplies	-	-	16,469	16,469	1,877	-	18,346	13,577
Utilities	-	12,335	-	12,335	31,595	398	44,328	45,982
Total expenses by function	3,506,632	546,666	1,451,580	5,504,878	1,101,370	340,694	6,946,942	7,030,384
Less expense included with revenues on the statement of activities:								
Direct cost of special events	-	-	-	-	-	(84,077)	(84,077)	(107,466)
Total expenses included in the expense section on the statement of activities	\$ 3,506,632	\$ 546,666	\$ 1,451,580	\$ 5,504,878	\$ 1,101,370	\$ 256,617	\$ 6,862,865	\$ 6,922,918

See accompanying notes to financial statements.

GRACEWORKS MINISTRIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021
WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 1,827,778	\$ 772,548
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	93,683	82,081
Unrealized losses on investments	(131,296)	12,561
Changes in:		
Accounts receivable	74,250	(72,150)
Inventory	(271,620)	(13,534)
Prepaid expenses	6,362	969
Accounts payable	(7,693)	20,949
Credit card payable	-	(3,138)
Payroll liabilities	(17,620)	31,327
Sales tax payable	-	(5,063)
Deferred revenue	(39,134)	58,783
Total adjustments	<u>(293,068)</u>	<u>112,785</u>
Net cash provided by operating activities	<u>1,534,710</u>	<u>885,333</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	<u>(27,896)</u>	<u>(151,849)</u>
Net cash used in investing activities	<u>(27,896)</u>	<u>(151,849)</u>
Cash Flows From Financing Activities:		
Issuance/(Payment) of Debt	<u>(267,500)</u>	<u>267,500</u>
Net cash provided by/(used in) financing activities	<u>(267,500)</u>	<u>267,500</u>
Change in cash	1,239,314	1,000,984
Cash and restricted cash - beginning of year	<u>1,795,256</u>	<u>794,272</u>
Cash and restricted cash - end of year	<u>\$ 3,034,570</u>	<u>\$ 1,795,256</u>

See accompanying notes to financial statements.

GRACEWORKS MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

NOTE 1 - Summary of Significant Accounting Policies

Nature of Activities and Program Description

In these notes, the terms "we", "us" or "our" mean GraceWorks Ministries, Inc. We are a nonprofit organization devoted to fulfilling our mission statement: Neighbor serving Neighbor, by the power of God's grace. We accomplish this through our core programs: Family Services, Instructional Support, Seasonal Needs and Hunger Prevention.

GraceWorks Thrift Store

We believe that everyone should have the ability to purchase high-quality used goods such as clothing, furniture and household items at affordable prices. Our thrift stores are open to the public. All merchandise sold is donated, including many new items, and the sales help support our mission.

Program Services

The following program services are included in the accompanying financial statements:

Food – Providing food to families experiencing crisis or poverty through four access points: a food pantry, mobile food pantries, holiday food boxes, and student fuel bags and classroom snack boxes.

Shelter – Helping families stay in their homes with rent payment assistance and utility payment assistance. Additionally, providing access to temporary shelter through hotel payments and providing household items such as furniture and air conditioners and heaters.

Support – Providing access to additional resources including financial coaching, tax assistance, Christmas gifts, medical supplies, newborn supplies, transportation, gas cards, counseling referrals, and access to our network of partners with additional resources.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, our net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors. Restrictions fulfilled in the same accounting period in which the contributions are received are reported in the Statement of Activities as unrestricted.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Prior Year Summarized Financial Information

While comparative information is not required under United States generally accepted accounting principles ("US GAAP"), we believe this information is useful and have included certain summarized financial information from our 2020 financial statements. Such summarized information is not intended to be a complete presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with our financial statements as of and for the year ended June 30, 2020, from which it was derived.

GRACEWORKS MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

NOTE 1 - Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, we consider all unrestricted cash and investment instruments purchased with an original maturity date of ninety days or less from the date of issuance to be a cash equivalent. At June 30, 2021 and June 30, 2020, we had no cash equivalents.

Inventory

GraceWorks tracks inventory for its thrift store and food pantry, which are items that are donated to the organization. Accounting principles generally accepted in the United States of America require that contributions be recognized as revenue when received.

Thrift Store Inventory:

The organization considers the value of contributed merchandise to be equal to the value of the annual thrift store revenue. Management estimates that all thrift store donations exit the store within three months' time, therefore the value of the thrift store inventory equals three months of subsequent sales.

Food Pantry Inventory:

The organization considers the value of contributed food to be equal to the number of food carts and fuel bags distributed to community members (neighbors). Food cart value is based on the average weight of the food carts multiplied by \$1.62, which is a donated food value issued in the most recent RSM report from Feeding America. Fuel Bags values were determined by auditing the actual retail price of contents contained in each fuel bag. Management estimates GraceWorks maintains a month and a half of food on premises, therefore the value of the food pantry inventory equals the value of the subsequent 1.5 months of food distributed to our neighbors.

Contributions Receivable

Contributions are recognized when the donor makes a promise to give to us that is, in substance, unconditional. Unconditional promises to give are recorded as temporarily restricted revenue in the year the promise is made and released from restriction in the year received.

Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts.

We use the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on our analysis of specific promises made. At June 30, 2021, and June 30, 2020, no allowance was considered necessary.

Property and Equipment

Property and equipment is recorded at cost, or, if donated, at the estimated fair market value at the date of donation. If equipment is donated, the donor can stipulate how long the assets must be used, and the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Our capitalization policy is to capitalize any expenditure over \$1,000 for property and equipment. Depreciation is provided utilizing the straight-line method over the estimated useful lives of the respective assets. Expenditures for repairs and maintenance are charged to expense as incurred.

GRACEWORKS MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

NOTE 1 - Summary of Significant Accounting Policies (continued)

Contributions, Support and Revenue

The Organization recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as with donor restrictions or without donor restrictions according to donor stipulations that limit the use of these assets due to either a time or purpose restriction. Contributions received with donor restrictions that are met in the year of receipt are recorded as revenues without donor restrictions. When a restriction expires or is met in a subsequent year, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities and changes in net assets. Conditional contributions or promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts on multi-year pledges is recorded as additional contribution revenue as either with or without donor restrictions based on any donor-imposed restrictions, if any, on the related contributions.

Contributed Services

Contributions of donated services that create or enhance non-financial assets or that require specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. We receive many contributed services for our outreach programs. These services meet the requirements for recognition in the financial statements and have been recorded or reflected in the accompanying financial statements.

Compensated Absences

Full time employees are defined as those working 30 hours or more per week. Paid time off is calculated based on each employee's regularly scheduled hours per week and is granted 90 days after hire date. An employee can carry over up to 40 hours of paid time off at the end of the fiscal year into the new year.

Functional Allocation of Expenses

The costs of providing program services and supporting services have been summarized on a functional basis in the Statement of Activities. Operating costs other than personnel and occupancy costs are allocated based on an invoice by invoice basis. Personnel costs are allocated based on the time spent in each area the employee works. Occupancy costs, such as leases and utilities are allocated based on square footage used for each functional classification.

Advertising

Advertising is expensed as incurred. Total advertising expense for the years ended June 30, 2021, and June 30, 2020, was \$9,077 and \$2,931, respectively.

Income Taxes

We are a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and are classified as an organization that is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. Therefore, no provision for federal income taxes is included in the accompanying consolidated financial statements. We do not believe there are any uncertain tax positions. Further, we do not believe that we have any unrelated business income, which would be subject to federal taxes.

GRACEWORKS MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

NOTE 1 - Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Fair Values of Financial Instruments

The fair values of current assets, current liabilities, and restricted cash approximate the carrying values due to the short maturities of these instruments and they are all Level 1 in the fair value hierarchy.

We use a framework for measuring fair value and disclosing fair values. We define fair value at the price which would be received to sell an asset in an orderly transaction between market participants at the measurement date. We use this framework for all assets and liabilities measured and reported on a fair value basis and enable the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires each asset and liability carried at fair value be classified into one of the following categories:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities
- Level 2 - Observable market based inputs or unobservable inputs corroborated by market data
- Level 3 - Unobservable inputs that are not corroborated by market data

The following table summarizes our financial assets measured at fair value on a recurring basis segregated by level of valuation inputs within the fair value hierarchy utilized to measure fair value as of June 30, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments, NOTE 5	<u>\$ 646,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 646,642</u>

Reclassifications

Certain accounts in the June 30, 2020, financial statements have been reclassified for comparative purposes to conform to the presentation of the June 30, 2021, financial statements.

NOTE 2 - Availability and Liquidity

Financial assets available for general expenditure within one year of the statement of financial position, consist of the following:

Financial assets for the year ended	
Cash	\$ 2,811,684
Investments	83,204
Inventory	<u>818,003</u>
	<u>\$ 3,712,891</u>

GRACEWORKS MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

NOTE 2 - Availability and Liquidity (continued)

The Organization has certain board-designated assets limited to use, which are available for general expenditure within one year in the normal course of operations in the amount of \$238,389 . Accordingly, these assets have been included in the qualitative information above. The Organization also has certain donor-restricted assets limited to use which are only available for restricted programs. Accordingly, these assets have been excluded from the qualitative information above and are described in NOTE 6.

In the next fiscal year, we plan to receive the same level of income from our donors and our thrift store, and consider this income for programs which are ongoing, major, and central to our annual operations to be available to meet cash needs for general expenditures. The Organization has minimal amounts of liabilities in order to maintain most of its financial assets to be readily available. Cash is currently held in multiple bank accounts including interest bearing savings accounts. This cash is considered readily available. We manage our liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. If our analysis of liquid assets reveals inadequate funds for near-term operating needs, we will immediately reduce spending of program and management and general expenditures

NOTE 3 - Concentrations of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash and cash equivalents, and various grant, contract and contributions receivable. Grant, contract and contributions receivable represent concentrations of credit risk to the extent they are receivable from concentrated sources.

We maintain our cash in bank accounts which, at times, may exceed federally insured limits. As of June 30, 2021, we have \$2,474,998 in excess of FDIC insured balances. We have not experienced any losses in such accounts and do not believe this exposes us to any significant credit risk on our cash.

NOTE 4 - Leases

We leased three copiers under operating leases during the year end June 30, 2021. The minimum monthly rental amount for these copiers is \$347. Additional amounts due under the lease are based on the number of copies made during the billing period. We currently lease the warehouse where our Franklin store is located for a monthly cost of \$13,200 and the administration building adjacent to the warehouse for a monthly cost of \$1,000. The total yearly rent expense was \$181,973 for the year ended June 30, 2021, which includes \$6,099 for the copiers that is in the General & IT repairs and maintenance line on the statement of functional expenses and \$182,050 for June 30, 2020, which includes 6,250 for the copiers that is in the General & IT repairs and maintenance line on the statement of functional expenses.

A schedule of future minimum lease payments required under all non-cancelable operating leases as of June 30, 2021, is as follows:

Year Ending June 30,

2022	\$ 162,564
2023	162,564
2024	4,164
2025	3,817
	<u>\$ 333,109</u>

GRACEWORKS MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

NOTE 5 - Investments

Investments consisted of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Money Market Funds	\$ 18,344	\$ -
Bond Funds	286,921	266,690
Equity Funds	192,278	154,583
Exchange Traded Funds	149,099	94,273
	<u>\$ 646,642</u>	<u>\$ 515,546</u>

As of June 30, 2021, \$83,204, of the total investment balance is recorded as net assets without donor restrictions in accordance with the endowment in NOTE 7. As of June 31, 2020, the entire investment balance was recorded as net assets with donor restrictions.

NOTE 6 - Net Assets

Board-designated net assets are available for the following purposes:

Building Improvements - This account is intended to provide funds necessary for building improvements.

Endowment - This account is intended to hold the excess realized annual income and the excess of the market value of the corpus that is to remain with the endowment at all times per the investment policy.

Board designated net assets without donor restrictions consisted of the following at June 30,

	<u>2021</u>	<u>2020</u>
Building Improvements	\$ 11,632	\$ 11,632
Set Aside for Future Use	152,893	152,893
Endowment	3,811	3,811
Neighbor Services programs	98,028	27,975
	<u>\$ 266,364</u>	<u>\$ 196,311</u>

Net assets with donor restrictions consisted of the following at June 30,

	<u>2021</u>	<u>2020</u>
Specific purpose:		
Cash for Backpacks	\$ 2,296	\$ 2,095
Cash for Manger	58,358	35,757
Cash for Our Little Angels	-	1,801
Cash for Vehicles	99,695	-
Cash for Food Pantry	62,537	46,103
Endowment:		
Investment endowment fund	563,438	563,438
	<u>\$ 786,324</u>	<u>\$ 649,194</u>

GRACEWORKS MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

NOTE 7 - Endowment Funds

Our endowment consists of funds established by donors to be held in perpetuity, including gifts requiring that the principal be invested and the income or specific portions thereof be used for operations. Our permanently restricted endowment funds are based on the spending policies described below which follow the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and the State of Tennessee's State Uniform Prudent Management of Institutional Funds Act (SUPMIFA).

Financial accounting standards provide guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of UPMIFA. Financial accounting standards also require additional disclosures about our endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not we are subject to UPMIFA.

Interpretation of applicable law - The Board of Directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, we classify as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA.

Spending policy – we have a policy of appropriating for distribution each year a maximum payout up to the total earnings from the funds in excess of the original corpus value. Withdrawal of funds cannot cause the account to fall below the original corpus. If market conditions cause the value of the account to fall below this limit, no withdrawal of funds can be made until the value exceeds this limit. Corpus balance will not be restored from general operating funds of the organization rather withdrawals will be prohibited until market growth restores balance. Withdrawn funds will only be used to enhance the Neighbor Service programs above and beyond the amounts typically spent or budgeted on such programs. Funds released for this purpose for the years ended June 30, 2021 and 2020, were \$0.

Investment return objective, risk parameters and strategies – the objective of our endowment portfolio is a balanced approach between equities and fixed income. The investment horizon is long-term and balances the need for income and growth. The portfolio allows up to 60% investment in equities and up to 40% investment in fixed income.

At June 30, 2021, our endowment funds were held in an investment account consisting of cash and investment funds, see NOTE 5.

As of June 30, 2021, the funds are shown on the statement of financial position as follows:

Cash	\$ 34,202
Investments (NOTE 5)	83,204
Assets Whose Use is Limited:	
Investments (NOTE 6)	<u>563,438</u>
	680,844
Board designated	<u>(117,406)</u>
Donor restricted - endowment	<u><u>\$ 563,438</u></u>

GRACEWORKS MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
WITH SUMMARIZED COMPARATIVE TOTALS AS OF JUNE 30, 2020

NOTE 7 - Endowment Funds (continued)

The following is a schedule of changes in endowment net assets for the year ended June 30, 2021:

Endowment net assets, June 30, 2020	\$ 563,438
Dividend and interest income	20,331
Administrative expenses	(4,599)
Net appreciation (realized and unrealized)	97,867
Amounts released to board designated	<u>(113,599)</u>
Endowment net assets, June 30, 2021	<u>\$ 563,438</u>

NOTE 8 - New Pronouncements

In February 2016, FASB issued Accounting Standards Update 2016-02, *Leases (Topic 842)*. The Update provides guidance about recording lease transactions on an organization's statements of financial position and activities. The amendments in this Update were recently deferred to become effective January of 2021. We are currently evaluating the impact of adopting this statement.

NOTE 9 - Subsequent Events

We have evaluated events subsequent to the year ending June 30, 2021. As of December 20, 2021, the date that the financial statements were available to be issued, we are not aware of any material subsequent events which would require recognition or disclosure in the accompanying financial statements for the year ended June 30, 2021.

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: MAY 20 1998

GRACEWORKS MINISTRIES INC
C/O CHERYL A KING
PO BOX 438
FRANKLIN, TN 37065-0438

Employer Identification Number:
62-1584204

DLN:

17053093815039

Contact Person:

THOMAS E O'BRIEN

ID# 31187

Contact Telephone Number:

(877) 829-5500

Our Letter Dated:

August 1995

Addendum Applies:

No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,



District Director

Letter 1050 (DO/CG)

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
March 1, 2022

615-741-2555
Tom.Riley@tn.gov

Valencia Breckenridge
Graceworks Ministries, Inc.
104 Southeast Parkway
Franklin, TN 37064

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Graceworks Ministries, Inc. - CO3055
Registration Expiration Date: **December 31, 2022**

Dear Valencia Breckenridge:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been approved.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS *Form 990*, *Form 990EZ*, or *990N* for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

NNS:CO3055



MIDCUMBERLAND

Human Resource Agency

March 4, 2022

ATTN: Angelique Franzoni
Historic Franklin
City Hall
109 Third Avenue South
Franklin, TN 37064

Dear Angelique,

The services offered by Mid-Cumberland Human Resource Agency have proven to impact lives, maintain dignity, and allow many to live at home longer. With your support, we are able to provide and improve the quality of life within your community.

Please consider and approve the following FY'23 funding request:

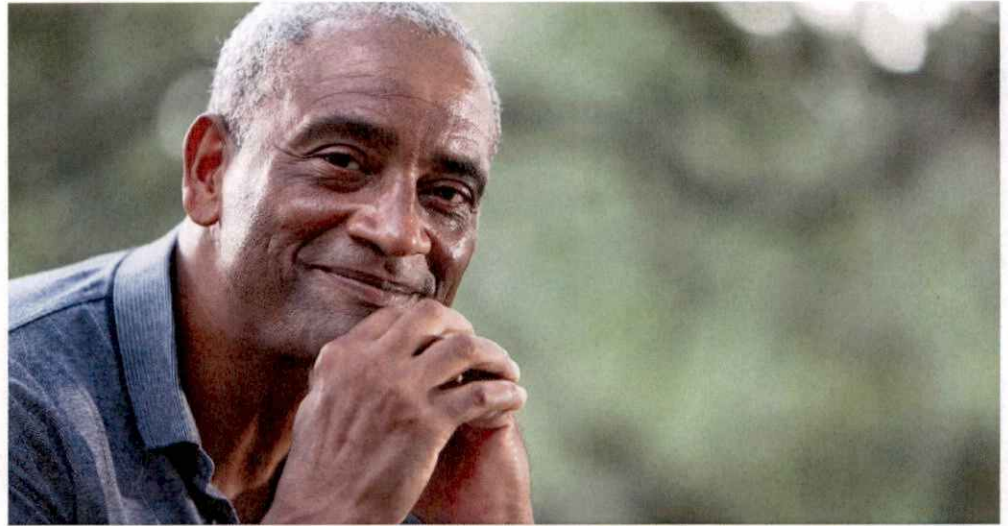
<u>Service:</u>	<u>Requested Amount:</u>
Dues	\$ 6,873.57
Homemaker	\$ 4,230.00
Meals-on-Wheels	\$ 9,137.00
Ombudsman	\$ 2,250.00
Total	\$ 22,490.57

Should you have any questions, feel free to contact me. As always, we sincerely appreciate your support.

Best regards,

Jane Hamrick
Executive Director

Enclosures



2023 Dues Request for | City of Franklin

Agency Dues Request of \$6,873.57

Pursuant to the **"Human Resource Agency Act of 1973"** The Mid-Cumberland Human Resource Agency was created forty-four years ago on the fundamental belief that all Middle Tennesseans deserve to live productive, healthy, and independent lives. We use this principle as a measurement tool in our ability to make a difference. And do we?

YES, our dedicated team makes a difference EVERY day!

13-26-102 Creation authorized... *with the intent that the agencies so created may be the delivery system for human resources..."*

13-26-107 (c) Appropriations-Local contributions... *"It is the intent of the state to assist financially with the delivery of human resources for residents. After the creation.... and when the local governments have indicated a willingness to contribute financially by adopting a budget requiring a certain **per capita** assessment, the state is authorized to match the local contributions according to the....schedule..."*

The request for Dues hereby made by the Mid-Cumberland Human Resource Agency is eleven cents per capita, the minimum on this schedule.

(d) ...such funds may be used for purposes of matching various federal programs of assistance... Cities and counties are specifically authorized to appropriate and expend funds for carrying out the purposes of this chapter."

Calculation:

2010 census population of 62,487 x \$.11 per capita = **\$6,873.57**





Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: **Mid-Cumberland Human Resource Agency - HomeMaker Program**

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

Funds were used to help provide direct support services to seniors who are neglected and no longer able to take care of themselves. Funding helps seniors live independently longer at home before placement in a long-term care facility

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

By providing direct support service such as routine household tasks, grocery shopping, personal care tasks, seniors are able to live longer at home. It is much more cost effective for seniors to age in place, and most seniors want to be at home rather than in a long term care facility. Homemakers kept 89% of the seniors it serves living at home in FY21.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☐ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Jane Hamrick	
Printed Name of (CEO/President/Executive Director/Board Chair)	Date

Jane Hamrick	3/2/22
Signature of (CEO/President/Executive Director/Board Chair)	Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Mid-Cumberland Human Resource Agency - HomeMaker Program

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☒ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded **AND** the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency

Homemaker | a Mid-Cumberland Service

A Homemaker and Elder Abuse Program



Request:

The Homemaker Program is requesting \$4,230 from Franklin.

About Us:

Trained Homemakers provide basic, in-home assistance to elderly, disabled, and handi-capped persons. Many elderly residents live alone and are in danger of being neglected, exploited, or abused. With the broad range of services the program offers, we are able to address most of the services needed to allow the client to remain SAFELY independent in their own home. Without these services many residents would be forced into institution care prematurely or worse, remain victims of abuse, neglect, and exploitation. The Homemaker is often the only advocate our vulnerable clients have. The Homemaker performs the essential tasks which the client is no longer able to do for him or herself. These include:

- Routine Household Tasks
- Meal Preparation
- Monitoring
- Grocery Shopping
- Household Budgeting/Bill Paying
- Emotional Support
- Resource Assistance
- Transportation
- Others as Needed
- Personal Care



Did You Know?

- Every 5 seconds an elderly person is abused
- 1 in 9 elderly individuals report they have been a victim of abuse
- There are as many as 3,074 victims of elder abuse in Williamson County
- Only 1 out of 23 victims report abuse, neglect, exploitation, or self-neglect to authorities
- In 90% of cases reported, the abuse was imposed by a family member

Our Service Statistics

FY21	Number of Clients	Number of Units	Percent of clients able to SAFELY retain their independence as a result of services provided
Williamson County	36	3,528	88.89%



We help clients gain or maintain self-sufficiency and independence

Prevent or reduce the need for institutional care

Prevent or remedy neglect, abuse or exploitation

Maintain safe, intact family units



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: **Mid-Cumberland Human Resource Agency - Meals-on-Wheels Program**

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

Funds will be used to help serve 1,827 meals to homebound senior citizens.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

The funds help provide meals. By providing meals seniors are able to live independently longer. Seniors overwhelming prefer to age in place. The program annually keeps 70-80% of the seniors it serves living at home independently.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Mid-Cumberland Human Resource Agency - Meals-on-Wheels Program

4. What is your fiscal year (ex. July 1 to June 30)? July 1 to June 30
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☐ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin? 2.56

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Jane Hamrick

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Jane Hamrick

Signature of (CEO/President/Executive Director/Board Chair)

Date

3/2/22



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Mid-Cumberland Human Resource Agency - Meals-on-Wheels Program

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☒ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded **AND** the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency

Meals-On-Wheels | a Mid-Cumberland Service

It's More than Just a Meal!



Request:

Meals-on-Wheels is requesting a community investment from City of Franklin of \$9,137 to be used as a match for state and federal dollars. This would help serve 1,828 meals to residents of Franklin.

About Us:

Many homebound seniors live alone and do not eat well because of a lack of mobility, money, and knowledge of healthy eating. Meals-On-Wheels aims to assist individuals 60 years and older in maintaining their health and independence. We do this by providing a nutritious meal and a much needed volunteer visit. Our meals meet 1/3 of the daily recommended nutritional value and are packed at local meal sites and delivered to vulnerable seniors by caring, dedicated volunteers. Homebound individuals age 60 and over may qualify for services as funding is available.



Did You Know?

- 1 in 7 Tennessee seniors is hungry
 - 4,682 seniors at risk in Williamson County
- 63% of at risk seniors choose between food and medicine
- Seniors with pets have 21% fewer doctor visits

Mid-Cumberland delivers 15,000 pounds of donated pet food annually

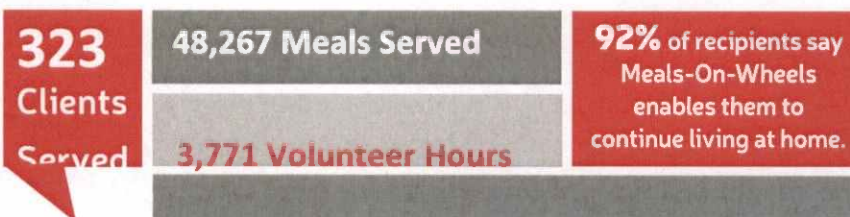


Our Volunteers:

Seniors who are lonely have a 45% greater chance of death. Our caring and dedicated volunteers are a vital part of the Meals-On-Wheels experience. They help pack and deliver meals. Without volunteers the program would serve approximately 20% less meals. Most importantly, volunteers offer vulnerable home bound seniors increased opportunities for socialization and a very important check on their well being. Many home bound seniors live alone and the volunteer may be the only person the senior sees that day.



Williamson County 2021





Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.

July 1, 2022 – June 30, 2023

Agency Name: **Mid-Cumberland Human Resource Agency - Ombudsman Program**

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

The Long-Term Care Ombudsman Program is requesting a community investment from the City of Franklin of \$2,250 to help provide Ombudsman services to the nursing homes and assisted care living facilities located in the City of Franklin. Ombudsman is an advocate for seniors in long term care facilities, and many do not have family to advocate for them. Imagine being a resident of a long term facility and your call light has been out for weeks, and nobody will listen to you about having it repaired. Ombudsman can help advocate for the seniors to have quality emotional and physical care.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

When Ombudsman receives a complaint from a resident or the family of a resident, they work to resolve the complaint. Many times these are training issues so when a complaint is resolved for one resident, it often helps the remaining residents in the facility.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Mid-Cumberland Human Resource Agency - Ombudsman Program

4. What is your fiscal year (ex. July 1 to June 30)? July 1 to June 30
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☐ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin? 8.76

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Jane Hamrick

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Jane Hamrick

Signature of (CEO/President/Executive Director/Board Chair)

3.2.22

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Mid-Cumberland Human Resource Agency - Ombudsman Program

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☒ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded **AND** the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



MIDCUMBERLAND

Long-Term Care Ombudsman

Long-Term Care Ombudsman | a Mid-Cumberland Service

Advocates for the Elderly

Request:

The **Long-Term Care Ombudsman Program** is requesting a community investment from the City of Franklin of \$2,850 to be used as a match for federal dollars. This would help provide Ombudsman services to nursing homes and assisted care living facilities serving the City of Franklin and Williamson County.

About Us:

Many elderly residents of long-term care facilities have no one to advocate for them. The Ombudsman Program provides paid staff and trained volunteers to assist residents in resolving complaints about sub-standard care, poor quality of life and violations of their rights. We educate facility residents, their loved ones and citizens on the rights of long-term care residents and how to access Ombudsman services. The program also provides consultations to facility staff on improving care and information and referral services to citizens trying to navigate the long-term care system.

Did You Know?

- 44% of nursing home residents have been abused
- 50% of nursing home staff admitted to mistreating residents
- 30% of Tennessee nursing homes receive the lowest possible rating from the Centers for Medicare and Medicaid Services
- The Families for Better Care Report Card gives Tennessee an overall rating of D for nursing home quality
- There are over 500 veterans residing in long-term care facilities in the service area

Our Volunteers:

Many residents of long-term care facilities have outlived their loved ones or their loved ones live far away or seldom visit. They have no one to monitor conditions in the facility or advocate for better care for them. Our Volunteer Ombudsman Representatives visit each facility assigned to them at least once a month to monitor conditions in the facility and help residents resolve complaints. Volunteers are the heart and soul of this program. For information on volunteering and upcoming volunteer training events call 615-850-3918.



4,079
Clients
Served

862 Complaints Resolved

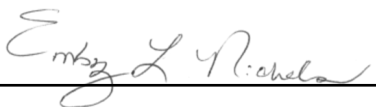
964 Consults Facility
Management

596
Residents
and Citizens
Educated

Mid-Cumberland HRA | 1101 Kermit Drive, Suite 300 | Nashville, TN 37217
Tel: 615.331.6033 | <http://www.mchra.com/ombudsman>



CERTIFICATE OF INSURANCE

PRODUCER SPROUSE INSURANCE GROUP, LLC PO BOX 1977 DUNLAP TN 37327		DATE: 3/22/2022				
INSURED MID CUMBERLAND HUMAN RES AGC OAKS OFFICE TOWERS SUITE 300 NASHVILLE TN 37217		COMPANIES AFFORDING COVERAGE				
		COMPANY LETTER A PUBLIC ENTITY PARTNERS				
		COMPANY LETTER B				
		COMPANY LETTER C				
COVERAGES						
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
CO	TYPE OF INSURANCE	Add'l Insd	POLICY #	POLICY PERIOD	LIMITS	
A	GENERAL LIABILITY		PLI-0476-22	6/30/2021 - 6/30/2022	TORT	
	☒ Commercial General Liability				PER PERSON/BODILY INJURY/PERSONAL INJURY	\$300,000
	☒ Claims Made				PER OCCUR/BODILY INJURY/PERSONAL INJURY	\$700,000
	☒ Personal Injury Liability				PER OCCURENCE/PROPERTY DAMAGE	\$100,000
	☒ Claims Made				NON TORT	
	☐ Law Enforcement Liability				PER OCCURRENCE/EACH OTHER LOSS	\$1,000,000
	☐ Claims Made					
A	ERRORS or OMISSIONS LIAB		PLI-0476-22	6/30/2021 - 6/30/2022	PER OCCURRENCE	\$1,000,000
	☒ Claims Made					
	AUTOMOBILE LIABILITY				TORT	
	☐ Owned Autos				PER PERSON/BODILY INJURY	
	☐ Hired Autos				PER OCCURRENCE/BODILY INJURY	
	☐ Non-owned Autos				PER OCCURENCE/PROPERTY DAMAGE	
	☐ Physical Damage				NON TORT	
					PER OCCURRENCE/EACH OTHER LOSS	
A	WORKERS COMPENSATION		PWC-0466-22	6/30/2021 - 6/30/2022	WC STATUTORY COVERAGE	
	EMPLOYERS LIABILITY				EMPLOYERS LIAB-EACH ACCIDENT	\$1,000,000
					EMPLOYERS LIAB-DISEASE-POLICY LIMIT	\$1,000,000
					EMPLOYERS LIAB-DISEASE-EACH PERSON	\$1,000,000
	PROPERTY & CRIME				BUILDINGS/PERS PROPERTY	
	PROPERTY-PART I				EDP EQUIPMENT	
	Causes of Loss				MOBILE EQUIPMENT	
	☐ Special				EQUIPMENT BREAKDOWN	
	☐ Flood				AUTOMATIC COVERAGES	
	☐ Earthquake					
	CRIME-PART II				EMPLOYEE DISHONESTY	
	☐ Blanket Crime				FORGERY OR ALTERATION	
					THEFT, DISAPPEARANCE OR DESTRUCTION	
					COMPUTER FRAUD	
LOCATION OF PREMISES/DESCRIPTION OF PROPERTY, OPERATIONS, VEHICLES OR SPECIAL ITEMS.						
CERTIFICATE HOLDER				CANCELLATION		
City of Franklin 109 Third Ave S Franklin, TN 37064				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.		
				AUTHORIZED REPRESENTATIVE		
						

MCHRA GOVERNING BOARD
(Please indicate principal officers with *)

1	Name: Kerry McCarver, County Mayor*	Street: 100 Public Sq.	City: Ashland City	Zip: 37015
	Employer: Cheatham County	kerry.mccarver@cheathamcountyttn.gov	Telephone: 615-792-4316	Years on board: 4
2	Name: Robert Rial, County Mayor*	Street: 4 Country Square	City: Charlotte	Zip: 37026
	Employer: Dickson County	bobrial@dicksoncounty.net	Telephone: 615-789-7003	Years on board: 9
3	Name: James Bridges, County Mayor	Street: Houston County Courthouse PO Box 366	City: Erin	Zip: 37061
	Employer: Houston County	hcexecutive@peoplestel.net	Telephone: 931-289-3633	Years on board: 2
4	Name: Jessie Wallace, County Executive	Street: 102 Thompson Street	City: Waverly	Zip: 37185
	Employer: Humphreys County	jwallace@humphreystn.org	Telephone: 931-296-7795	Years on board: 9
5	Name: Jim Durrett, County Mayor	Street: 1 Millennium Plaza	City: Clarksville	Zip: 37040
	Employer: Montgomery County	mayordurrett@mcgtn.net	Telephone: 931-648-5787	Years on board: 5
6	Name: Billy Vogle, County Mayor	Street: Robertson County Courthouse, Room 108	City: Springfield	Zip: 37172
	Employer: Robertson County	bvogle@robcofn.org	Telephone: 615-384-0617	Years on board: 2
7	Name: Bill Ketron Jr., County Mayor	Street: Rutherford County Courthouse, suite 105	City: Murfreesboro	Zip: 37130
	Employer: Rutherford County	bketron@rutherfordcountyttn.gov	Telephone: 615-898-7745	Years on board: 2
8	Name: Robin Brandon, County Mayor	Street: 226 Lakeview Drive	City: Dover	Zip: 37058
	Employer: Stewart County	rbrandon@stewartcogov.com	Telephone: 931-232-5371	Years on board: 2
9	Name: Anthony Holt, County Executive*	Street: 355N. Belvedere Drive	City: Gallatin	Zip: 37066
	Employer: Sumner County	aholt@sumnertn.org	Telephone: 615-452-3604	Years on board: 11
10	Name: Stephen Chambers, County Mayor	Street: 210 Broadway	City: Hartsville	Zip: 37074
	Employer: Trousdale County	stephen.chambers@trousdalecountyttn.gov	Telephone: 615-374-2461	Years on board: 2
11	Name: Rogers Anderson, County Mayor	Street: 1320 W. Main St., Suite 125	City: Franklin	Zip: 37064
	Employer: Williamson County	rogers.anderson@williamsoncounty-tn.gov	Telephone: 615-790-5700	Years on board: 14
12	Name: Randall Hutto, County Mayor*	Street: 228 E. Main St., Room 104	City: Lebanon	Zip: 37087
	Employer: Wilson County	hutto@wilsoncountyttn.gov	Telephone: 615-444-1383	Years on board: 9
* Principal Officers				
				Updated: 7.2021

Address any reply to: 3131 Democrat Road, Memphis, Tennessee 38110
Department of the Treasury

FEB 23. REC'D

**Internal Revenue
Service Center
Southeast Region**

Date: **FEB 18 1977** | In reply refer to:
49220438:1s



▷ Mid-Cumberland Human Resource Agency
Attn: Mr. James Adams
501 Union St.
Nashville, TN 37219

Gentlemen:

Pursuant to our telephone conversations and letters you submitted, we are accepting the ruling given you by the Wage Excise and Administrative Provisions Branch set forth in their letter of September 7, 1976, stating your organization is not a political subdivision.

Your organization has an exemption from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954. You also have an accepted Form SS-15 effective April 1, 1974.

Therefore, you should continue to file Form 941, employer's quarterly tax return, to report both Federal income tax and Social Security tax withheld from your employees' wages.

If you have any questions and wish to call us at 901-365-5664, Eva Williams will be able to help you. The telephone number is not toll-free.

We are closing our case file at this time.

Sincerely yours,

B. J. Fant, Chief
Correspondence Section

NOV 13 REC'D

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Mid-Cumberland Human Resource
Agency
501 Union Street
Suite 601
Nashville, Tennessee 37219

Person to Contact:

Phone Contact: J. Fillmore

Telephone Number Phone Number: 202-964-4757

Refer Reply to:

E:EO:T:R:1:3

Date: NOV 11 1975

Key District: Atlanta
Accounting Period Ending: June 30
Form 990 Required: ☒ Yes ☐ No
Foundation Status Classification: 509(a)(1)
Advance Ruling Period Ends: June 30, 1977

Gentlemen:

Based on the information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization of the type described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date referred to above.

Within 90 days after the end of your advance ruling period, you must submit to your key district director information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization so long as you continue to meet the requirements of the applicable support test. If, however, you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for

Mid-Cumberland Human Resource Agency

future periods. Also, in the event you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. In addition, if you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section 509(a)(1) organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization..

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes.

If your sources of support, or your purposes, character, or method of operation is changed, you must let your key District Director know so he can consider the effect of the change on your status. Also, you must inform him of all changes in your name or address.

Section 3121(b)(7) of the Federal Insurance Contributions Act (FICA) and section 3306(c)(7) of the Federal Unemployment Tax Act (FUTA) provide that services performed in the employ of an instrumentality wholly owned by a state or political subdivision of a state are excepted -

Mid-Cumberland Human Resource Agency

from the definition of "employment." Accordingly, if your organization is a wholly owned instrumentality, remuneration for services performed for you is not subject to the taxes imposed by the FICA or FUTA. When social security coverage is desired for employees of a wholly owned instrumentality of a state or political subdivision the coverage may be obtained only by means of an agreement between the state and the Secretary of Health, Education, and Welfare, entered into pursuant to a section 218 agreement of the Social Security Act, as amended.

The waiver procedure in section 3121(k) of the FICA is not applicable to a wholly owned instrumentality of a state or political subdivision even though the particular instrumentality also qualifies for exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

The block checked at the top of this letter shows whether you must file Form 990, Return of Organization Exempt From Income Tax. If the Yes box is checked, you are required to file Form 990 only if your gross receipts each year are normally more than \$5,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, for failure to file the return on time.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Mid-Cumberland Human Resource Agency

We are informing your key District Director of this action. Please keep this ruling letter in your permanent records.

Sincerely yours,

A handwritten signature in cursive script, reading "Jeanne S. Gessay". The signature is written in dark ink and is positioned above the typed name and title.

Jeanne S. Gessay
Chief, Rulings Section 1
Exempt Organizations
Technical Branch

Mid-Cumberland Human Resources Agency

1101 Kermit Drive, Suite 300, Nashville, TN 37217

Contact: Jane Hamrick

Phone: 615-331-6033

Website: www.mchra.com

Status: Registered

Expires: 3/31/2022



Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **The Mid-Cumberland Human Resource Agency**

General Information

SOS Control # 000057591
Filing Type: Nonprofit Corporation - Domestic
01/21/1975 4:30 PM
Status: Active
Duration Term: Perpetual
Public/Mutual Benefit: Public
Formation Locale: TENNESSEE
Date Formed: 01/21/1975
Fiscal Year Close 6

Registered Agent Address

JANE HAMRICK
STE 300
1101 KERMIT DR
NASHVILLE, TN 37217-5109

Principal Address

SUITE-300
1101 KERMIT DRIVE
NASHVILLE, TN 37217

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
09/29/2021	2021 Annual Report	B1099-1531
06/23/2021	Amended and Restated Formation Documents	B1034-4479
Filing Name Changed From: MID-CUMBERLAND HUMAN RESOURCE AGENCY (THE) To: The Mid-Cumberland Human Resource Agency		
07/20/2020	2020 Annual Report	B0894-5189
05/06/2020	Assumed Name	B0865-1329
New Assumed Name Changed From: No Value To: Mid-Cumberland Meals-On-Wheels		
12/06/2019	2019 Annual Report	B0787-4374
12/01/2019	Notice of Determination	B0786-0145
08/03/2018	2018 Annual Report	B0578-3175
07/20/2017	2017 Annual Report	B0422-3164
07/22/2016	2016 Annual Report	B0277-2071
06/11/2015	2015 Annual Report	B0112-4667
01/12/2015	Assumed Name	B0040-3335
New Assumed Name Changed From: No Value To: Mid-Cumberland Meals-on-Wheels		
06/17/2014	2014 Annual Report	A0251-2939

Filing Information

Name: **The Mid-Cumberland Human Resource Agency**

07/23/2013	2013 Annual Report	A0192-2640
06/19/2012	2012 Annual Report	A0133-3134
06/21/2011	2011 Annual Report	A0085-1248
08/24/2010	2010 Annual Report	6760-1193
07/20/2009	2009 Annual Report	6571-2690
07/18/2008	2008 Annual Report	6350-2110
06/12/2007	2007 Annual Report	6071-2226
06/16/2006	2006 Annual Report	5810-1361
06/10/2005	2005 Annual Report	5479-0382
06/16/2004	2004 Annual Report	5162-0405
	Registered Agent Changed	
	Mail Address Changed	
09/19/2003	2003 Annual Report	4912-0733
	Principal Address Changed	
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
06/24/2002	2002 Annual Report	4537-1143
	Principal Address Changed	
	Registered Agent Physical Address Changed	
12/07/2001	2001 Annual Report	4363-0547
	Registered Agent Physical Address Changed	
10/24/2000	2000 Annual Report	4035-1197
03/03/2000	Articles of Amendment	3844-2111
	Principal Address Changed	
01/29/1992	CMS Annual Report Update	2366-1523
	Mail Address Changed	
01/29/1992	Administrative Amendment	2366-1523
	Fiscal Year Close Changed	
01/30/1989	Administrative Amendment	1126-0337
	Mail Address Changed	
03/18/1986	Articles of Amendment	600 01207
	Principal Address Changed	
03/18/1986	Registered Agent Change (by Entity)	600 01208
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
03/14/1986	Administrative Amendment	600 00316

Filing Information

Name: **The Mid-Cumberland Human Resource Agency**

Mail Address Changed

07/26/1982 Registered Agent Change (by Entity)

306 00404

Registered Agent Physical Address Changed

Registered Agent Changed

03/01/1982 Articles of Amendment

271 00740

Principal Address Changed

03/01/1982 Registered Agent Change (by Entity)

271 00741

Registered Agent Physical Address Changed

Registered Agent Changed

10/02/1978 Articles of Amendment

038 01116

Principal Address Changed

09/09/1977 Articles of Amendment

BP56P6305

Principal Address Changed

09/11/1975 Articles of Amendment

BP55P6712

01/21/1975 Initial Filing

BO30P1813

Active Assumed Names (if any)

Mid-Cumberland Meals-On-Wheels

Date

05/06/2020

Expires

05/06/2025

**MID-CUMBERLAND HUMAN RESOURCE
AGENCY**

Nashville, Tennessee

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2021

JOHNSON, HICKEY & MURCHISON, P.C.
Certified Public Accountants
Chattanooga, Tennessee

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INDEPENDENT AUDITORS' REPORT

**To the Board of Directors of
Mid-Cumberland Human Resource Agency**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mid-Cumberland Human Resource Agency, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Mid-Cumberland Human Resource Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Mid-Cumberland Human Resource Agency, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mid-Cumberland Human Resource Agency's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State of Tennessee, and are also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2022, on our consideration of Mid-Cumberland Human Resource Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Mid-Cumberland Human Resource Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mid-Cumberland Human Resource Agency's internal control over financial reporting and compliance.

Johnson, Wiley & Menckem, P.C.

Chattanooga, Tennessee
March 30, 2022

**Mid-Cumberland Human Resource Agency
Management's Discussion and Analysis
For the Year Ended June 30, 2021**

Mid-Cumberland Human Resource Agency (the Agency) Management's Discussion and Analysis (MD&A) section provides a financial analysis for the year ended June 30, 2021. Please read this section in conjunction with the Agency's financial statements.

FINANCIAL HIGHLIGHTS

- The Agency's net position increased by \$1,793,095 (15%) from \$11,627,898 in 2020 to \$13,420,993 for 2021. The increase was mostly attributed to additional CARES Act funding in the Transportation and Nutrition programs.
- The Agency's cash balance increased by \$2,863,567 (37%) from \$7,661,677 in 2020 to \$10,525,244 for 2021. Accounts Receivable decreased by \$1,096,835 (20%) from \$5,387,607 in 2020 to \$4,290,772 for 2021. The increase in cash and decrease in accounts receivable is attributed to increased payment performance by grantors and reduced expenditures in Workforce grants due to the pandemic.
- Total Current Assets increased by \$1,770,197 (14%) from \$13,066,625 in 2020 to \$14,836,822 in 2021. This increase is mostly attributed to increases in cash balances.
- The Agency's Governmental funds income before financing sources/uses decreased for 2021 compared to 2020, with revenues over expenditures reporting an excess of \$1,842,003. The excess of revenue over expenditures was attributed to increases in CARES Act funding in the Transportation and Nutrition programs.
- The unrestricted net position for the Agency increased by \$1,954,075 (20%) from \$9,669,398 in 2020 to \$11,623,473 for 2021.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Agency's annual report consists of a series of financial statements. These statements include government-wide financial statements, fund financial statements, and the related notes to these statements. The report also includes additional supplementary information for these statements. Government-wide statements present the Agency's overall financial activities as a whole. Fund financial statements provide more detailed information about specific Agency funds. The remaining statements provide financial information about activities for which the Agency acts solely as a trustee.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Agency's annual report contains two government-wide financial statements: the Statement of Net Position and the Statement of Activities. These statements report, on an accrual basis, all assets and liabilities and the changes in them. This reporting provides a way to measure and assess the Agency's overall financial health. Increases or decreases in the Agency's net position provide good insight about whether the Agency's financial condition is improving or deteriorating. Other non-financial information should also be considered in this assessment.

The Statement of Net Position and the Statement of Activities have only one type of activity:

- Governmental Activities – The Agency’s services are reported in this activity group, including Rural Transportation services, Meals on Wheels and Senior Dining, Homemaker/Companion services, Community Corrections, Workforce Services, Misdemeanor services, Ombudsman services, WIC assistance and Representative Payee services. The general fund is also reported in this group. Federal and state grants, local governments, United Way agencies, local contributions and program income fund these activities.

FUND FINANCIAL STATEMENTS

The Agency establishes and maintains funds to manage and control monies for specific services and functions. Within the basic financial statements, fund financial statements focus on the Agency’s funds rather than the Agency as a whole. They also help assure compliance with financial laws and regulations. The Agency’s two significant fund types are as follows:

- Governmental funds - Most of the Agency’s services (see Governmental Activities above) are reported in the governmental funds. They are reported on the modified accrual accounting basis. These funds focus on the inflows and outflows of monies and the year-end balances, providing a view of available financial resources.
- Proprietary fund – The Agency’s internal service fund is reported as a proprietary fund. This fund is used to provide supplies and services for the Agency’s other programs and activities. They report activities equivalent to the reporting of the Statement of Net Position and the Statement of Activities.

THE AGENCY AS TRUSTEE

The Agency’s fiduciary activities are reported on the Statement of Changes in Fiduciary Assets and Liabilities – Custodial Fund. These activities are excluded from the Agency’s other financial statements since these assets cannot be used to finance its operations.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis below focuses on net position and changes in net position of the Agency's governmental activities:

	<u>Net Position (in thousands)</u>		
	<u>2021</u>	<u>2020</u>	<u>Change Increase (Decrease)</u>
Current assets	\$ 14,837	\$ 13,067	14%
Capital assets	<u>1,797</u>	<u>1,958</u>	<u>(8)%</u>
Total Assets	<u>16,634</u>	<u>15,025</u>	<u>11%</u>
Current/Total Liabilities	<u>3,213</u>	<u>3,397</u>	<u>(5)%</u>
Net Position:			
Investment in capital assets	1,798	1,958	(8)%
Unrestricted	<u>11,623</u>	<u>9,670</u>	<u>20%</u>
Total Net Position	\$ <u>13,421</u>	\$ <u>11,628</u>	<u>15%</u>
	<u>Changes in Net Position (in thousands)</u>		
	<u>2021</u>	<u>2020</u>	<u>Change Increase (Decrease)</u>
Program Revenues:			
Charges for services	\$ 4,390	\$ 4,869	(10)%
Federal grants	24,005	23,614	2%
State grants and contributions	3,337	4,802	(31)%
Other revenues	<u>108</u>	<u>58</u>	<u>86%</u>
	<u>31,840</u>	<u>33,343</u>	<u>(5)%</u>
Program expenses:			
Agency operations and administration	988	1,178	(16)%
Transportation programs	6,281	6,541	(4)%
Nutrition programs	3,810	2,866	33%
Workforce Services programs	16,211	19,532	(17)%
Other programs	<u>2,757</u>	<u>2,575</u>	<u>7%</u>
Total Expenses	<u>30,047</u>	<u>32,692</u>	<u>(8)%</u>
Increase in Net Position	\$ <u>1,793</u>	\$ <u>651</u>	<u>175%</u>

The Agency's net position increased by \$1,793,095 (15%) in 2021 to \$13,420,993. This amount included the net increase in fund balances for all governmental funds of \$1,925,125. Depreciation expense exceeded capital outlays by \$108,758.

The Agency's total revenues (before interest income, gain (loss) on disposal of assets, and miscellaneous items) decreased by \$1,552,536 (5%) from \$33,284,701 in 2020 to \$31,732,165 in 2021. Total expenses decreased by \$2,644,381 (8%), from \$32,692,000 in 2020 to \$30,047,619 in 2021. These decreases are attributed to the reduction in Workforce Services' Grants.

Total Current Assets increased by \$1,770,197 (14%) from \$13,066,625 in 2020 to \$14,836,822 for 2021. Total Current Liabilities decreased by \$183,878 (5%) from \$3,397,227 in 2020 to \$3,213,349 in 2021.

The Agency's cash balances increased by \$2,863,567 (37%), from \$7,661,677 in 2020 to \$10,525,244 in 2021. Agency receivables (excluding internal balances) decreased by \$1,096,835 (20%) from \$5,387,607 in 2020 to \$4,290,772 for 2021. The increase in cash and decrease in accounts receivable is attributed to increased payment performance by grantors and reduced expenditures in Workforce grants due to pandemic.

The Agency's funding continues to be derived predominately from federal and state grants, and program service income from managed care organizations. The Agency is continually seeking cost controls and pursuing other funding sources to continue the agency's growth in delivery of services.

AGENCY FUND ANALYSIS

The Agency's operations report in one significant fund. The analysis for this fund is below:

Governmental funds – The governmental funds' financial performance increased in 2021. The fund reported a gain of \$1,842,003 primarily due to CARES Act funding in the Transportation and Nutrition programs. The unassigned fund balance was \$12,012,380 and non-spendable fund balances related to prepaid items was \$12,398 for 2021.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Agency's capital outlay for 2021 was \$610,944 mostly represented by additional vans replaced in MCHRA's fleet. See note 3 for additional capital asset details.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Agency contracts primarily with other Agencies with the State of Tennessee and managed care organizations; therefore, they are not directly affected by macroeconomic factors. However, the state, federal and local governments and managed care organizations are affected by these factors, indirectly affecting the Agency's grant and operating budgets. These effects can be positive or negative due to the economic environment. Transportation revenues continued to experience downward pressure due to the pandemic. The Agency expects to have some decreases in the Workforce Services' programs as areas re-procure their service contracts. The Agency also continues to streamline personnel to reduce costs and implement strict cost control oversight to assure the Agency remains within its budgetary spending limits on a grant by grant basis.

BOARD OF DIRECTORS & SENIOR MANAGEMENT

Senior Management

Jane Hamrick, Executive Director
Kevin Rye, CFO/Director of Operations

BOARD OF DIRECTORS

(As of June 30, 2021)

Board Officers

Mayor Anthony Holt, Sumner County, Board Chair
Mayor Robert Rial, Dickson County, Vice-Chair
Mayor Randall Hutto, Wilson County, Secretary
Mayor Kerry McCarver, Cheatham County, Treasurer

Governing Board

Mayor James Bridges, Houston County
County Executive Jessie Wallace, Humphreys County
Mayor Jim Durrett, Montgomery County
Mayor Billy Vogle, Robertson County
Mayor Bill Ketron Jr., Rutherford County
Mayor Robin Brandon, Stewart County
Mayor Stephen Chambers, Trousdale County
Mayor Rogers Anderson, Williamson County

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This report is designed to provide a general overview of the Agency's finances, comply with finance-related laws and regulations, and demonstrate the Agency's commitment to public accountability. If you have any questions or would like additional information please contact the Agency's Executive Director at 1101 Kermit Drive, Suite 300, Nashville, TN 37217.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 10,525,244
Receivables	
Grants (Federal)	3,582,869
Grants (State)	221,005
Participants and other (net)	486,898
Prepaid items	12,398
Deposits	8,408
Capital assets	
Nondepreciable	150,000
Depreciable, net	<u>1,647,520</u>
 Total assets	 <u>16,634,342</u>
 LIABILITIES AND NET POSITION	
Liabilities	
Accounts payable	222,271
Accrued payroll costs	991,596
Accrued payroll taxes and withholding	69,010
Accrued paid time off	508,376
Due to grantor (Federal)	22,596
Paycheck Protection Program loan	<u>1,399,500</u>
 Total liabilities	 <u>3,213,349</u>
 Net position	
Investment in capital assets	1,797,520
Unrestricted	<u>11,623,473</u>
 Total net position	 <u><u>\$ 13,420,993</u></u>

(The accompanying notes are an integral part of these statements.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

FUNCTION/PROGRAMS	PROGRAM REVENUES				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities					Governmental Activities
Agency operations and administration	\$ 2,084,054	\$ (1,096,129)	\$ 1,211,773	\$ 620,156	\$ -
Transportation programs	5,981,355	299,804	2,022,025	4,759,715	580,930
Nutrition programs	3,605,324	204,387	255,303	3,960,907	-
Workforce services programs	15,762,215	449,101	827,688	14,911,700	-
Other community services programs	2,614,671	142,837	73,514	2,478,440	30,014
Total governmental activities	<u>\$ 30,047,619</u>	<u>\$ -</u>	<u>\$ 4,390,303</u>	<u>\$ 26,730,918</u>	<u>\$ 610,944</u>
					<u>1,684,546</u>
GENERAL REVENUES					
Gain on disposal of capital assets					59,850
Miscellaneous					48,699
Total general revenues					<u>108,549</u>
Change in net position					1,793,095
NET POSITION					
Beginning					<u>11,627,898</u>
Ending					<u>\$ 13,420,993</u>

(The accompanying notes are an integral part of these statements.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Transportation Programs	Nutrition Programs	Workforce Services Programs	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 10,525,244	\$ -	\$ -	\$ -	\$ -	\$ 10,525,244
Receivables						
Grants (Federal)	-	355,625	461,939	2,616,668	148,637	3,582,869
Grants (State)	-	8,290	10,924	-	201,791	221,005
Participants and other (net)	86,535	184,639	39,802	175,922	-	486,898
Prepaid items	12,398	-	-	-	-	12,398
Due from other funds	4,129,067	-	-	-	-	4,129,067
Deposits	8,408	-	-	-	-	8,408
 Total assets	<u>\$ 14,761,652</u>	<u>\$ 548,554</u>	<u>\$ 512,665</u>	<u>\$ 2,792,590</u>	<u>\$ 350,428</u>	<u>\$ 18,965,889</u>
 LIABILITIES						
Accounts payable	\$ 169,192	\$ 5,238	\$ 41,036	\$ -	\$ 6,300	\$ 221,766
Accrued payroll costs	991,596	-	-	-	-	991,596
Accrued payroll taxes and withholding	69,010	-	-	-	-	69,010
Due to other funds	107,576	543,316	471,629	2,769,994	344,128	4,236,643
Due to grantor (Federal)	-	-	-	22,596	-	22,596
Paycheck Protection Program loan	1,399,500	-	-	-	-	1,399,500
 Total liabilities	<u>2,736,874</u>	<u>548,554</u>	<u>512,665</u>	<u>2,792,590</u>	<u>350,428</u>	<u>6,941,111</u>
 FUND BALANCES						
Nonspendable						
Prepaid items	12,398	-	-	-	-	12,398
Unassigned	12,012,380	-	-	-	-	12,012,380
 Total fund balances	<u>12,024,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,024,778</u>
 Total liabilities and fund balances	<u>\$ 14,761,652</u>	<u>\$ 548,554</u>	<u>\$ 512,665</u>	<u>\$ 2,792,590</u>	<u>\$ 350,428</u>	<u>\$ 18,965,889</u>

(The accompanying notes are an integral part of these statements.)

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

Total governmental fund balances	\$ 12,024,778
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Amounts reported for governmental activities in the statement of net position
are different because:

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.	1,797,520
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Internal service fund liabilities	<u>(401,305)</u>
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Net position of governmental activities	<u>\$ 13,420,993</u>
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(The accompanying notes are an integral part of these statements.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General Fund	Transportation Programs	Nutrition Programs	Workforce Services Programs	Other Governmental Funds	Total Governmental Funds
REVENUES						
Federal grants	\$ -	\$ 5,113,827	\$ 2,709,150	\$ 14,911,700	\$ 1,270,487	\$ 24,005,164
State grants	85,000	72,982	65,543	-	1,204,669	1,428,194
Local program	535,156	153,836	1,186,214	-	33,298	1,908,504
Program income	1,193,936	2,022,025	255,303	827,688	73,514	4,372,466
Miscellaneous	-	-	-	-	48,699	48,699
Total revenues	<u>1,814,092</u>	<u>7,362,670</u>	<u>4,216,210</u>	<u>15,739,388</u>	<u>2,630,667</u>	<u>31,763,027</u>
EXPENDITURES						
Salaries	1,279,808	2,390,827	607,027	5,131,868	1,395,897	10,805,427
Fringe benefits	305,089	1,022,586	155,462	1,764,018	465,272	3,712,427
Participant wages	-	-	-	895,597	-	895,597
Participant fringe benefits	-	-	-	91,477	-	91,477
Travel	31,207	14,378	19,800	982,800	73,155	1,121,340
Rent	54,115	124,223	23,657	122,198	128,059	452,252
Communications	39,031	92,761	57,706	100,603	62,286	352,387
Utilities	9,827	24,403	2,971	4,995	17,578	59,774
Printing and supplies	28,450	70,183	44,221	41,619	60,754	245,227
Equipment	-	580,930	-	-	30,014	610,944
Equipment - non capital	14,792	29,199	14,507	-	44,872	103,370
Maintenance and repairs	2,631	306,430	221	1,327	1,945	312,554
Professional and contracted services	55,929	222,577	80,636	130,586	89,610	579,338
Insurance, bonding and licensing	9,618	355,530	14,577	22,230	34,086	436,041
Food	-	-	2,373,566	-	-	2,373,566
Gasoline	-	333,393	-	-	-	333,393
Training and seminars	631	-	300	6,102	-	7,033
Specific assistance to participants	59,908	-	-	6,007,956	22,421	6,090,285
Other	-	-	-	-	10,161	10,161
Indirect costs	112,934	299,804	204,387	449,101	142,837	1,209,063
Miscellaneous	<u>33,286</u>	<u>11,782</u>	<u>12,842</u>	<u>9,738</u>	<u>51,720</u>	<u>119,368</u>
Total expenditures	<u>2,037,256</u>	<u>5,879,006</u>	<u>3,611,880</u>	<u>15,762,215</u>	<u>2,630,667</u>	<u>29,921,024</u>
Excess (deficit) of revenue over expenditures	<u>(223,164)</u>	<u>1,483,664</u>	<u>604,330</u>	<u>(22,827)</u>	<u>-</u>	<u>1,842,003</u>
OTHER FINANCING SOURCES (USES)						
Transfers in (out)	2,148,289	(1,566,786)	(604,330)	22,827	-	-
Gain on disposal of capital assets	-	83,122	-	-	-	83,122
Total other financing sources (uses)	<u>2,148,289</u>	<u>(1,483,664)</u>	<u>(604,330)</u>	<u>22,827</u>	<u>-</u>	<u>83,122</u>
Excess of revenue over expenditures and other financing sources (uses)	1,925,125	-	-	-	-	1,925,125
FUND BALANCES						
Beginning	<u>10,099,653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,099,653</u>
Ending	<u>\$ 12,024,778</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,024,778</u>

(The accompanying notes are an integral part of these statements.)

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Net change in fund balances - total governmental funds	\$ 1,925,125
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.

Depreciation expense	(719,702)	
Capital outlay	<u>610,944</u>	(108,758)

The net effect of various transactions involving the sale of capital assets	<u>(23,272)</u>
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Change in net position of governmental activities	<u>\$ 1,793,095</u>
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(The accompanying notes are an integral part of these statements.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
STATEMENT OF NET POSITION - PROPRIETARY FUND
JUNE 30, 2021

	Governmental Activities - Internal Service Fund
ASSETS	
Capital assets	
Nondepreciable	\$ 150,000
Depreciable, net	251,305
Internal balances	<u>107,576</u>
 Total assets	 <u>508,881</u>
 LIABILITIES	
Accounts payable	505
Accrued paid time off	<u>508,376</u>
 Total liabilities	 <u>508,881</u>
 NET POSITION	
Net investment in capital assets	-
Unrestricted	<u>-</u>
 Total net position	 <u>\$ -</u>

(The accompanying notes are an integral part of these statements.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET
POSITION - PROPRIETARY FUND
YEAR ENDED JUNE 30, 2021

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Fees for services	\$ 59,737
Total operating revenues	<u>59,737</u>
OPERATING EXPENSES	
Contracted services	8,258
Rent	7,805
Printing	1,774
Depreciation	<u>41,900</u>
Total operating expenses	<u>59,737</u>
NET OPERATING INCOME	<u>-</u>
CHANGE IN NET POSITION	-
NET POSITION	
Beginning	<u>-</u>
Ending	<u><u>\$ -</u></u>

(The accompanying notes are an integral part of these statements.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
YEAR ENDED JUNE 30, 2021

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from users	\$ 59,737
Cash paid related to employees	(58,771)
Cash paid to suppliers for goods and services	<u>(17,832)</u>
Net cash used by operating activities	<u>(16,866)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer to general fund	<u>29,816</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	<u>(12,950)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>
NET CHANGE IN CASH	-
CASH	
Beginning	<u>-</u>
Ending	<u><u>\$ -</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating income	\$ -
Adjustments to reconcile net operating income to net cash used by operating activities	
Depreciation	41,900
Increase (decrease) in Accounts payable	5
Accrued paid time off	<u>(58,771)</u>
Net cash used by operating activities	<u><u>\$ (16,866)</u></u>

(The accompanying notes are an integral part of these statements.)

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
STATEMENT OF NET POSITION - FIDUCIARY FUND
JUNE 30, 2021**

	Custodial Fund
ASSETS	
Cash	\$ <u>613,823</u>
 LIABILITIES	
Amounts held in custody for others	\$ <u>613,823</u>

(The accompanying notes are an integral part of these statements.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Mid-Cumberland Human Resource Agency (the Agency) was established in 1974 in accordance with the Title 13, Chapter 26, as amended, of the Tennessee Code Annotated. This legislation provides a regional system to deliver human resource programs in the state's counties and cities. The Agency is governed by a Board that consists of the county mayor of each county within the Agency's service district, the mayor of each municipality within the district, a state representative and senator within the district and a local representative appointed by the county judge of each service district. The Agency is also governed by a policy council that consists of two representatives from each county served and two legislators. For financial reporting purposes, the Mid-Cumberland Human Resource Agency includes all fund types and account groups over which the Board of Directors exercises primary financial accountability.

Basis of Presentation

Government-Wide Statements

The statement of net position and the statement of activities display information about the primary government (the Agency). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are funded through federal and state grants, county and local government contributions, charitable contributions, intergovernmental revenues, and contract and program fees.

The statement of activities presents a comparison between the direct expenses and program revenues (charges for services, operating grants and contributions, and capital grants and contributions) for each function of the Agency's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. Indirect expenses have been allocated to major functions in order to present a more accurate and complete picture of the cost of services.

This government-wide focus is more on the sustainability of the Agency as an entity and the changes in the Agency's net position resulting from the current year's activities.

Governmental Fund Financial Statements

The fund financial statements provide information about the Agency's funds. The emphasis of fund financial statements is on the major funds in the governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Agency reports the following major funds:

General Fund

The general fund is used to account for all resources not specifically accounted for in another fund.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

Governmental Fund Financial Statements (continued)

Special Revenue Funds

Transportation Programs

This fund accounts for revenues and expenditures of the Agency's various transportation operations (i.e., Public Transportation, New Freedoms and DOT Capital Grants). The fund utilizes Section 5311 of the Urban Mass Transit Act, Title III-B of the Older Americans Act and other funds available through the Tennessee Department of Transportation as its three major revenue sources. Revenues are also received through contracts with TennCare and other agencies within the region.

Nutrition Programs

This fund accounts for revenues and expenditures of the Agency's various nutritional operations (i.e., Meals-On-Wheels and congregate meals). The fund receives revenue from the Older Americans Act through the Area Agency on Aging and Disability at the Greater Nashville Regional Council. Financial support is also received from the Tennessee Commission on Aging and Disability, the State of Tennessee, United Way, United States Department of Health and Human Services, sponsors, foundations and memorials.

Workforce Services Programs

This fund accounts for revenues and expenditures of the Agency's activities of the Agency's various adult and youth workforce programs. The fund receives revenue from the U.S. Department of Labor, various Tennessee Department of Labor, and Workforce Areas along with United Way, local Chambers of Commerce, local governments, and other various local sources.

Measurement Focus, Basis of Accounting

The accounts of the Agency are organized on the basis of funds. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

Government-wide financial statements include a statement of net position and statement of activities. These statements present a summary of governmental activities for the Agency. Fiduciary activities of the Agency are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all the Agency's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the Agency are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated. In the statement of activities, internal services fund transactions have been eliminated.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting (continued)

Governmental Fund Financial Statements

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The Agency has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The statement of revenue, expenditures, and changes in fund balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (normally 90 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the Agency, are federal grants, state grants, local programs, and program income. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a statement of net position, a statement of revenues, expenses, and changes in fund net position, and a statement of cash flows. The only proprietary fund is the internal service fund. The internal service balances and activities have been combined with the governmental activities in the government-wide financial statements. The cost of these services is allocated to the appropriate function/program in the statement of activities.

Custodial Fund

Custodial fund is used to account for amounts held in trust for others. These amounts are incidental and held for a short period of time. The Agency collects monies from the Social Security Administration to be given to recipients of the Social Security Program.

Cash and Cash Equivalents

The Agency considers currency on hand and demand deposits with financial institutions to be cash. The Agency considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. State statutes authorize the Agency to invest in obligations of the U.S. Treasury, bank certificates of deposit, state approved repurchase agreements and pooled investment funds, and state or local bonds rated A or higher by a nationally recognized rating service. At June 30, 2021, the Agency had no cash equivalents.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from the estimates.

Capital Assets

The Agency's capital assets, which include land, building and improvements, furniture and fixtures, computers, software and peripherals, and vehicles, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets' lives are not capitalized.

Capital assets of the Agency are being depreciated using the straight-line method over the following estimated useful lives:

Building and improvements	7-25 years
Furniture and fixtures	5 years
Computers, software and peripherals	3-5 years
Vehicles	5 years

Equipment acquired with grant funds, and recorded in these financial statements, may require that the grantor retain an equity interest in the asset. Grantor agencies may also maintain the right to determine the use of the proceeds from the sale of these assets.

Compensated Absences

The Agency provides paid time off (PTO) benefits to regular full-time employees. PTO is earned at the following rates:

<u>Years of Service</u>	<u>Accrual Rate</u>	<u>Maximum Accumulations</u>
0-5	1 day per month	30 days
5-10	1.5 days per month	36 days
10-20	1.75 days per month	39 days
20+	2 days per month	42 days

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences (continued)

Effective May 1, 2016, the Agency's PTO benefits are provided to regular full time and part-time employees, excluding Community Corrections employees who remained under the existing PTO policy. This policy provides time off at the following rates:

<u>Years of Service</u>	<u>Monthly Accrual Rate Based on Regular Hours Paid (Up To)</u>	<u>Maximum PTO Accrued Annually</u>	<u>Maximum PTO Accumulations</u>
0-5	12 hours	144.00	240.00
5-10	16 hours	192.00	288.00
10-20	18 hours	216.00	312.00
20+	20 hours	240.00	336.00

Regular part-time employees' maximum PTO accumulation cannot exceed 80 hours.

Income Taxes

The Agency is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.

The Agency accounts for uncertain tax positions with provisions of FASB ASC 740-10 "*Accounting for Uncertainty in Income Taxes*" which provides a framework for how companies should recognize, measure, present and disclose uncertain tax positions within the financial statements. The Agency may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The Agency does not have any uncertain tax positions as of June 30, 2021. As of June 30, 2021, the Agency did not record any penalties or interest associated with uncertain tax positions.

The Agency files information returns in the U.S. federal jurisdictions. With a few exceptions, the Agency is no longer subject to U.S. federal examinations by tax authorities for the years before 2018.

Interfund Transactions

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

Budgetary Process

The Agency does not have an annual appropriated budget. The grant documents serve as the financial plans for budgetary purposes.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

As of June 30, 2021, the Agency did not have any deferred outflows or inflows of resources.

Change in Accounting Principle

The Agency adopted Governmental Accounting Standards Board (GASB) Statement No. 84 “Fiduciary Activities” for the year ended June 30, 2021. The primary objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The adoption of this GASB resulted in no restatement of prior year balances.

(2) CASH DEPOSITS

Cash includes amounts in demand deposits with financial institutions. For deposits, custodial risk is the risk that, in the event of a bank failure, the Agency’s deposits may not be returned to it. Collateral is required for demand deposits at 105% of all amounts not covered by a federal depository insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State of Tennessee and its subdivisions.

All the Agency’s bank balances held in demand deposits are either insured or collateralized by the Federal Deposit Insurance Corporation or the State of Tennessee Bank Collateral Pool and are not subject to custodial credit risk.

The Agency currently has no formal policy addressing custodial risk, except to comply with State statutes.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(3) CAPITAL ASSETS

Capital asset activity for the fiscal year ending June 30, 2021, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities				
Nondepreciable capital assets:				
Land	\$ 150,000	\$ -	\$ -	\$ 150,000
Capital assets being depreciated				
Building and improvements	631,018	12,950	-	643,968
Furniture and fixtures	157,061	-	(4,139)	152,922
Computers, software, and peripherals	1,607,153	-	(7,109)	1,600,044
Vehicles	<u>5,257,110</u>	<u>610,944</u>	<u>(472,166)</u>	<u>5,395,888</u>
Total capital assets being depreciated	<u>7,652,342</u>	<u>623,894</u>	<u>(483,414)</u>	<u>7,792,822</u>
Less accumulated depreciation for				
Building and improvements	(374,966)	(28,052)	-	(403,018)
Furniture and fixtures	(148,781)	(4,029)	4,065	(148,745)
Computers, software, and peripherals	(1,578,559)	(17,707)	6,892	(1,589,374)
Vehicles	<u>(3,741,536)</u>	<u>(711,814)</u>	<u>449,185</u>	<u>(4,004,165)</u>
Total accumulated depreciation	<u>(5,843,842)</u>	<u>(761,602)</u>	<u>460,142</u>	<u>(6,145,302)</u>
Governmental activity capital assets, net	<u>\$ 1,958,500</u>	<u>\$ (137,708)</u>	<u>\$ (23,272)</u>	<u>\$ 1,797,520</u>

Governmental activities depreciation expense was as follows:

Agency operations and administration	\$ 12,939
Transportation programs	717,893
Nutrition programs	6,556
Other community service programs	<u>24,214</u>
	<u>\$ 761,602</u>

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(4) INTERFUND ACTIVITY

Amounts due to/from other funds as of June 30, 2021, are as follows:

<u>Due to</u>	<u>Due from</u>	
General Fund	Transportation Programs	\$ 543,316
General Fund	Nutrition Programs	471,629
General Fund	Workforce Services Programs	2,769,994
General Fund	Nonmajor Governmental Funds	344,128
Internal Service Fund	General Fund	107,576

Interfund balances between governmental funds are created mainly from the general fund's payment of expenditures on behalf of other governmental funds.

Amounts transferred to/from other funds as of June 30, 2021, are as follows:

	<u>General Fund</u>	<u>Transportation Programs</u>	<u>Nutrition Programs</u>	<u>Workforce Services Programs</u>
Transfers in	\$ 2,148,289	\$ -	\$ -	\$ 22,827
Transfers out	-	1,566,786	604,330	-

(5) PAYCHECK PROTECTION PROGRAM LOAN

On May 8, 2020, the Agency was granted a loan from a bank in the amount of \$1,399,500, pursuant to the Paycheck Protection Program (PPP) of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was enacted March 27, 2020.

Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other obligations incurred before February 15, 2020. The Agency has used the entire loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used to qualifying expenses as described in the CARES Act. The Agency expects to have the balance of this loan forgiven. However, forgiveness for this loan is under dispute with the Small Business Administration due to the number of eligible employees the Agency employed at time it applied for the loan. The Agency still believes that they were eligible and will receive forgiveness. Until then, the Agency has subsequently started in January 2022, making monthly principal and interest payments on the loan of \$78,760 until they receive forgiveness.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(6) FUND EQUITY

Fund equity at the governmental fund reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Fund Balance

Generally, fund balance represents the difference between the current assets and the current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable - Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted - Fund balances are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed - Fund balances classification includes amounts that can be used only for the specific purposes determined by a majority vote of the Board of Directors (the Agency’s highest level of decision-making authority). The Board of Directors also may modify or rescind the commitment.

Assigned - Fund balances are reported as assigned when amounts are constrained by the Agency’s intent to be used for specific purposes but are neither restricted nor committed. Intent can be expressed by the Board of Directors or by an employee or body to which the Board of Directors delegates the authority.

Unassigned - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The Agency reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other funds.

Flow Assumptions

When both restricted and unrestricted amounts of the fund balance are available for use for expenditures incurred, it is the Agency’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Agency’s policy to used fund balance in the following order:

Committed
Assigned
Unassigned

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the Agency has not spent) for the acquisition, construction or improvement of those assets. Net position reported as restricted is as described in the fund balance section above. All other net position is reported as unrestricted.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(7) PENSION PLANS

Defined Benefit Pension Plan

Plan description

On July 1, 2020, all full-time employees of the Agency are required to participate in a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS was created by state statute under Tennessee Code Annotated, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Benefits provided

Tennessee Code Annotated, Title 8 Chapters 34-37, establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuities are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions

Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of their salary. The Agency makes employer contributions at the rate set by the Board of Trustees. For the year ended June 30, 2021, the employer contributions of the Agency were \$294,511 based on a rate of 6.5 percent of covered payroll. By law, employer contributions are required to be paid. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as amortized portion of any unfunded liability.

Payable to the pension plan

At June 30, 2021, the Agency reported \$21,574 for the outstanding amount of contributions to this pension plan required at the year ended June 30, 2021.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(7) PENSION PLANS (continued)

Defined Contribution Plan

In addition to the TCRS plan, the Agency continues to provide pension benefits for full-time and permanent part-time employees who work at least 1,000 hours annually through a defined contribution plan administered by the State of Tennessee. In a defined contribution plan, benefits depend on amounts contributed to the plan plus investment earnings. Employees are eligible to make contributions immediately; and employees can start receiving the employer match immediately upon being hired to work at least 1,000 hours annually and are not full-time.

Any amendments to the defined contribution plan have been approved by the Board of Directors of the Agency. According to the Agency's personnel policies approved by the Board of Directors, the Agency contributes 6.5% of the employee's base salary each month. However, employees that are also participants in the TCRS plan do not receive the agency match. The employee is allowed to contribute up to federally defined limits. All contributions by the employee are fully vested upon participation in the retirement plan. Employer contributions are vested at 50% after one year of service and 100% after two years of service.

The Agency's total contribution for the defined contribution plan was \$414,845 with no forfeitures reducing this amount for the year ended June 30, 2021. Total contributions made by plan members for year ended June 30, 2021, was \$110,608. As of June 30, 2021, the Agency had accrued pension expense for this plan of \$22,776, included in accrued payroll costs.

(8) COMMITMENTS AND CONTINGENCIES

Operating Lease Agreements

The Agency currently leases office space for the central administrative office in Nashville, Tennessee. The Agency also entered into short-term leases for other space as needed by the individual programs throughout the geographic area served. This space includes program offices, storage space, and program training sites. Total rental payments for these properties and miscellaneous office equipment, for the year ended June 30, 2021, was \$544,036.

Future minimum lease payments with initial or remaining periods of one year or more (including renewal options) at June 30, 2021, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Property</u>	<u>Equipment</u>
2022	\$ 284,348	\$ 38,280
2023	275,983	35,678
2024	250,688	23,441
2025	-	8,586
	<u>\$ 811,019</u>	<u>\$ 105,985</u>

Risk Management

The Mid-Cumberland Human Resource Agency is exposed to various risks of loss related to general liability; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency carries commercial insurance for general liability, loss of assets, employee dishonesty, and injuries to employees. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

(8) COMMITMENTS AND CONTINGENCIES (continued)

Risk Management (continued)

The Agency elected to provide basic health, dental and vision insurance coverage for its employees through several commercial group insurance plans. The Agency's obligation under these insurance plans is limited to a maximum \$679 per month per employee for individual coverage, \$958 per month per employee for individual plus child(ren) coverage, \$1,257 per month per employee for individual plus spouse coverage and \$1,544 per month per employee for family coverage, based on the plan selected by the employee.

Litigation

The Agency is subject to claims and suits arising principally in the normal course of operations. In the opinion of management, the ultimate resolution of such pending legal proceedings has been adequately provided for in the basic financial statements.

Grant Programs

The Agency participates in numerous federal and state grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Agency has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021, may be impaired. In the opinion of the Agency, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

(9) RISKS AND UNCERTAINTIES

During March 2020, a pandemic was declared related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic has significantly impacted the economic conditions across the nation as federal, state, and local governments react to the public health crisis, creating significant uncertainties in the economy. This situation is rapidly changing, and additional impacts may arise. While the disruption is currently expected to be temporary, there is uncertainty around its duration. The ultimate future impact, if any, of the pandemic on results of operations, financial position, liquidity or capital resources cannot be reasonably estimated at this time.

(10) SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 30, 2022, the date which this financial statement was available for issue.

SUPPLEMENTARY INFORMATION

MID-CUMBERLAND HUMAN RESOURCE AGENCY
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	SPECIAL REVENUE				
	<u>Community Corrections</u>	<u>VOCA</u>	<u>Homemaker</u>	<u>Ombudsman</u>	<u>Total Nonmajor Funds</u>
ASSETS					
Receivables					
Grants (Federal)	\$ -	\$ 22,055	\$ 94,212	\$ 32,370	\$ 148,637
Grants (State)	<u>201,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>201,791</u>
Total assets	<u>\$ 201,791</u>	<u>\$ 22,055</u>	<u>\$ 94,212</u>	<u>\$ 32,370</u>	<u>\$ 350,428</u>
LIABILITIES					
Accounts payable	\$ 6,237	\$ -	\$ -	\$ 63	\$ 6,300
Due to other funds	<u>195,554</u>	<u>22,055</u>	<u>94,212</u>	<u>32,307</u>	<u>344,128</u>
Total liabilities	<u>201,791</u>	<u>22,055</u>	<u>94,212</u>	<u>32,370</u>	<u>350,428</u>
FUND BALANCES					
Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 201,791</u>	<u>\$ 22,055</u>	<u>\$ 94,212</u>	<u>\$ 32,370</u>	<u>\$ 350,428</u>

MID-CUMBERLAND HUMAN RESOURCE AGENCY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	SPECIAL REVENUE				Total Nonmajor Funds
	Community Corrections	VOCA	Homemaker	Ombudsman	
REVENUES					
Federal grants	\$ 70,144	\$ 151,119	\$ 908,123	\$ 141,101	\$ 1,270,487
State grants	1,168,829	-	-	35,840	1,204,669
Local program	6,644	3,098	-	23,556	33,298
Program income	73,514	-	-	-	73,514
Miscellaneous	-	48,699	-	-	48,699
Total revenues	<u>1,319,131</u>	<u>202,916</u>	<u>908,123</u>	<u>200,497</u>	<u>2,630,667</u>
EXPENDITURES					
Salaries	645,802	93,229	523,301	133,565	1,395,897
Fringe benefits	203,330	22,362	199,474	40,106	465,272
Travel	3,172	1,645	67,552	786	73,155
Rent	93,437	3,414	28,598	2,610	128,059
Communications	43,871	2,813	11,637	3,965	62,286
Utilities	15,318	360	1,900	-	17,578
Printing and supplies	51,287	1,815	6,556	1,096	60,754
Equipment	30,014	-	-	-	30,014
Equipment - non capital	41,381	458	2,325	708	44,872
Maintenance and repairs	1,610	132	203	-	1,945
Professional and contracted services	74,154	2,233	7,699	5,524	89,610
Insurance, bonding and licensing	30,194	408	2,728	756	34,086
Specific assistance to participants	-	17,231	5,190	-	22,421
Other	10,161	-	-	-	10,161
Indirect costs	72,947	7,730	50,815	11,345	142,837
Miscellaneous	2,453	49,086	145	36	51,720
Total expenditures	<u>1,319,131</u>	<u>202,916</u>	<u>908,123</u>	<u>200,497</u>	<u>2,630,667</u>
Deficit of revenue under expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND
LIABILITIES - CUSTODIAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Balance</u> <u>June 30, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>
<u>SSI RECIPIENT TRUST FUND</u>				
ASSETS				
Cash	\$ 590,415	\$ 3,267,497	\$ 3,244,089	\$ 613,823
LIABILITIES				
Amounts held in custody for others	\$ 590,415	\$ 3,267,497	\$ 3,244,089	\$ 613,823

COMPLIANCE

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Agency or Pass-Through Number
U.S. Department of Labor		
WIOA Cluster		
Passed through Upper Cumberland Local Workforce Development Board		
WIOA - Adult Program (06/18)	17.258	18-07-999-600-18-01
WIOA - Adult Program (06/19)	17.258	18-07-999-600-18-01
WIOA - Adult Program (06/20)	17.258	19-UC-OSOCSP-101
WIOA - Adult Program (06/21)	17.258	20-UC-OSOCSP-101
WIOA - Dislocated Worker (06/18)	17.278	18-07-999-600-18-01
WIOA - Dislocated Worker (06/20)	17.278	19-UC-OSOCSP-101
WIOA - Dislocated Worker (06/21)	17.278	20-UC-OSOCSP-101
WIOA - Youth Activities (06/18)	17.259	18-07-999-600-18-01
WIOA - Youth Activities (06/20)	17.259	19-UC-OSOCSP-101
WIOA - Youth Activities (06/21)	17.259	20-UC-OSOCSP-101
Passed through Southwest Tennessee Local Workforce Development Board		
WIOA - Youth Activities (Area 11) (06/17)	17.259	16-11-000-001-20-82
WIOA - Youth Activities (Area 11) (PWE) (06/17)	17.259	16-11-000-001-20-82
WIOA - Out of School Youth Activities (07/19-06/20) (06/20)	17.259	South West - 2020
WIOA - Out of School Youth Activities (07/20-06/21) (06/21)	17.259	South West - 2021
WIOA - In School Youth Activities (07/19-06/20) (06/20)	17.259	South West - 2020
WIOA - In School Youth Activities (07/20-06/21) (06/21)	17.259	South West - 2021
WIOA - Summer Youth (05/21-06/21) (06/21)	17.259	South West - 2021
WIOA - Rural Initiative - Henderson County Jail Project (07/20-09/21) (06/21)	17.259	South West - 2021
WIOA - Adult Program (07/19-06/20) (06/20)	17.258	South West - 2020
WIOA - Adult Program (07/20-06/21) (06/21)	17.258	South West - 2021
WIOA - Adult Program OJT Adient (07/20-06/21) (06/21)	17.258	South West - 2021
WIOA - Incumbent Worker/CBG (07/19-06/20) (06/20)	17.258	South West - 2020
COVID-19 WIOA Coronavirus, Aid, Relief, and Economic Security Act (07/20-06/21) (06/21)	17.258	South West - 2021
WIOA - Dislocated Worker (07/19-06/20) (06/20)	17.278	South West - 2020
WIOA - Dislocated Worker (07/20-06/21) (06/21)	17.278	South West - 2021
Passed through Southeast Tennessee Local Workforce Development Board		
WIOA - Out of School Youth Activities (07/19-06/20) (06/20)	17.259	South East - 2020
WIOA - Out of School Youth Activities (07/20-06/21) (06/21)	17.259	South East - 2021
WIOA - In School Youth Activities (07/19-06/20) (06/20)	17.259	South East - 2020
WIOA - In School Youth Activities (07/20-06/21) (06/21)	17.259	South East - 2021
WIOA - Adult Program (07/19-06/20) (06/20)	17.258	South East - 2020
WIOA - Adult Program (07/20-06/21) (06/21)	17.258	South East - 2021
WIOA - Rural Initiative (07/19-06/20) (06/20)	17.258	LWSEF201RDSWA20
WIOA - Summer Youth (05/21-08/21) (06/21)	17.258	South East - 2021
WIOA - Dislocated Worker (07/19-06/20) (06/20)	17.278	South East - 2020
WIOA - Dislocated Worker (07/20-06/21) (06/21)	17.278	South East - 2021
Passed through East Tennessee Local Workforce Development Board		
WIOA - Out of School Youth Activities (06/20)	17.259	East - 2020
WIOA - Out of School Youth Activities (06/21)	17.259	East - 2021
WIOA - In School Youth Activities (07/19-06/20) (06/20)	17.259	East - 2020
WIOA - In School Youth Activities (07/20-06/21) (06/21)	17.259	East - 2021
WIOA - Youth Demonstration Grant (07/19-06/21) (06/21)	17.259	East - 2020
WIOA - Adult Program (07/19-06/20) (06/20)	17.258	East - 2020
WIOA - Adult Program (07/20-06/21) (06/21)	17.258	East - 2021
WIOA - Rural Initiative (07/19-06/20) (06/20)	17.258	LWETF201RDSWA
WIOA - Dislocated Worker (07/19-06/20) (06/20)	17.278	East - 2020
WIOA - Dislocated Worker (07/20-06/21) (06/21)	17.278	East - 2021
WIOA - Summer Youth (06/21)	17.278	East - 2021
Passed through Northern Middle Tennessee Local Workforce Development Board		
WIOA - Out of School Youth Activities (04/19-06/20) (06/20)	17.259	North Middle - 2020
WIOA - Out of School Youth Activities (07/20-06/21) (06/21)	17.259	NM-01-CSP-MCHRA
WIOA - In School Youth Activities (04/19-06/20) (06/20)	17.259	North Middle - 2020
WIOA - In School Youth Activities (04/20-06/20) (06/20)	17.259	NM-01-CSP-MCHRA
WIOA - Youth Follow-up (01/21-06/21) (06/21)	17.259	NM-01-FWUP-MCHRA
WIOA - Adult Program (04/19-06/20) (06/20)	17.258	North Middle - 2020
WIOA - Adult Program (07/20-06/21) (06/21)	17.258	NM-01-CSP-MCHRA
WIOA - Adult Follow-up (01/21-06/21) (06/21)	17.258	NM-01-FWUP-MCHRA
WIOA - Dislocated Worker (04/19-06/20) (06/20)	17.278	North Middle - 2020
WIOA - Dislocated Worker (07/20-06/21) (06/21)	17.278	NM-01-CSP-MCHRA
WIOA - Dislocated Worker Follow-up (01/21-06/21) (06/21)	17.278	NM-01-FWUP-MCHRA
Total WIOA Cluster		

(See accompanying notes to schedules of expenditures of federal and state awards.)

(Deferred) Accrued Revenue June 30, 2020	Receipts or Revenues Recognized	Disbursements/ Expenditures	Adjustments	(Deferred) Accrued Revenue June 30, 2021
\$ (10,687)	\$ -	\$ -	\$ 10,687	\$ -
(1,109)	-	-	1,109	-
228,588	228,588	-	-	-
-	184,200	184,200	-	-
(1,459)	-	-	1,459	-
86,613	86,613	-	-	-
-	88,671	88,671	-	-
(747)	-	-	747	-
88,705	88,705	-	-	-
-	109,308	109,308	-	-
(8,669)	-	-	8,669	-
(1,849)	-	-	1,849	-
29,908	29,908	-	-	-
-	247,415	312,516	-	65,101
436	436	-	-	-
-	1,382	1,476	-	94
-	-	1,885	-	1,885
-	-	25,000	-	25,000
80,175	80,175	-	-	-
-	484,213	593,558	-	109,345
-	2,320	11,240	-	8,920
76,823	76,823	-	-	-
-	316,067	316,067	-	-
44,629	44,629	-	-	-
-	198,533	233,297	-	34,764
103,298	103,298	-	-	-
-	606,067	710,424	-	104,357
21,178	21,178	-	-	-
-	159,107	184,345	-	25,238
257,808	257,808	-	-	-
-	814,653	1,055,656	-	241,003
9,150	104,898	217,274	-	121,526
-	-	65,181	-	65,181
120,048	120,048	-	-	-
-	965,224	1,011,740	-	46,516
338,191	338,191	-	-	-
-	1,136,196	1,591,560	-	455,364
35,735	35,735	-	-	-
-	95,207	151,561	-	56,354
74,494	103,591	29,097	-	-
516,606	516,606	-	-	-
-	1,993,542	2,752,318	-	758,776
21,098	35,280	15,862	-	1,680
159,200	159,200	-	-	-
-	499,439	655,639	-	156,200
-	-	74,116	-	74,116
327,807	327,807	-	-	-
-	1,106,152	1,099,704	-	(6,448)
1	1	-	-	-
-	107,811	106,526	-	(1,285)
-	8,015	13,111	-	5,096
513,467	513,467	-	-	-
-	1,364,906	1,356,378	-	(8,528)
-	20,975	28,805	-	7,830
338,434	338,434	-	-	-
-	1,181,856	1,176,261	-	(5,595)
-	12,732	17,682	-	4,950
3,447,872	15,315,410	14,190,458	24,520	2,347,440

(See accompanying notes to schedules of expenditures of federal and state awards.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Agency or Pass-Through Number
U.S. Department of Labor (continued)		
Passed through Upper Cumberland Local Workforce Development Board		
Reemployment Services and Eligibility Assessment (06/20)	17.225	18-07-999-600-18-01
Reemployment Services and Eligibility Assessment (06/21)	17.225	20-UC-OSOCSP-101
Senior Community Service Employment (06/18)	17.235	18-07-999-600-18-01
Senior Community Service Employment (06/20)	17.235	19-UC-OSOCSP-101
Senior Community Service Employment (06/21)	17.235	20-UC-OSOCSP-101
Passed through Southwest Tennessee Local Workforce Development Board		
Reemployment Services and Eligibility Assessment (07/19-06/20) (06/20)	17.225	South West - 2020
Reemployment Services and Eligibility Assessment (07/20-06/21) (06/21)	17.225	South West - 2021
Senior Community Service Employment (07/19-06/20) (06/20)	17.235	South West - 2020
Senior Community Service Employment (07/20-06/21) (06/21)	17.235	South West - 2021
National Dislocated Workers Program (07/20-06/22) (06/21)	17.277	South West - 2021
Apprenticeship (07/19-06/20) (06/20)	17.285	South West - 2020
Passed through Southeast Tennessee Local Workforce Development Board		
Reemployment Services and Eligibility Assessment (07/19-06/20) (06/20)	17.225	South East - 2020
Reemployment Services and Eligibility Assessment (07/20-06/21) (06/21)	17.225	South East - 2021
National Dislocated Workers Program	17.277	South East - 2021
Passed through East Tennessee Local Workforce Development Board		
Reemployment Services and Eligibility Assessment (07/19-06/20) (06/20)	17.225	East - 2020
Reemployment Services and Eligibility Assessment (07/20-06/21) (06/21)	17.225	East - 2021
Senior Community Service Employment (07/19-06/20) (06/20)	17.235	East - 2020
Senior Community Service Employment (07/20-06/21) (06/21)	17.235	East - 2021
National Dislocated Workers Program (01/21-06/22) (06/21)	17.277	East - 2021
Passed through Northern Middle Tennessee Local Workforce Development Board		
Reemployment Services and Eligibility Assessment (04/19-06/20) (06/20)	17.225	North Middle - 2020
Reemployment Services and Eligibility Assessment (07/20-06/21) (06/21)	17.225	NM-01-CSP-MCHRA
Total U.S. Department of Labor		
U.S. Department of Transportation		
Passed through Tennessee Department of Transportation		
Transit Services Programs Cluster		
Public Transportation (5317) (01/19-12/20) (06/20)	20.521	GG-19-63108
Public Transportation (5317) (01/19-12/20) (06/21)	20.521	Z-21-5317-01
Total Transit Services Programs Cluster		
Highway Planning and Construction Cluster		
Public Transportation (RPO) (06/20)	20.205	GG-17-50658
Public Transportation (RPO) (06/21)	20.205	61906-Z20RPO-003
Total Highway Planning and Construction Cluster		
Federal Transit Cluster		
Public Transportation (5310 Capital Grant) (06/21)	20.526	Z-19-EMSP-21-01
Public Transportation (Section 5311) (07/19-06/20) (06/20)	20.509	Z-20-5311-03-00
COVID-19 Public Transportation (Section 5311) (07/20-06/21) (06/21)	20.509	Z-20-CARE-05
Total U.S. Department of Transportation		

(See accompanying notes to schedules of expenditures of federal and state awards.)

(Deferred) Accrued Revenue June 30, 2020	Receipts or Revenues Recognized	Disbursements/ Expenditures	Adjustments	(Deferred) Accrued Revenue June 30, 2021
20,231	20,231	-	-	-
-	15,507	15,507	-	-
(5,073)	-	-	5,073	-
29,104	29,104	-	-	-
-	19,983	19,983	-	-
4,248	4,248	-	-	-
-	25,946	30,435	-	4,489
7,781	7,781	-	-	-
-	81,096	102,356	-	21,260
-	26,794	35,180	-	8,386
10,674	11,268	594	-	-
(763)	-	-	763	-
-	13,926	15,796	-	1,870
-	36,211	66,578	-	30,367
6,797	6,797	-	-	-
-	55,948	67,740	-	11,792
48,461	48,461	-	-	-
-	110,771	149,212	-	38,441
-	25,559	156,326	-	130,767
21,236	21,236	-	-	-
-	62,275	61,535	-	(740)
<u>3,590,568</u>	<u>15,938,552</u>	<u>14,911,700</u>	<u>30,356</u>	<u>2,594,072</u>
2,154	6,562	4,408	-	-
-	1,753	6,377	-	4,624
<u>2,154</u>	<u>8,315</u>	<u>10,785</u>	<u>-</u>	<u>4,624</u>
30,689	30,689	-	-	-
-	28,148	70,968	-	42,820
<u>30,689</u>	<u>58,837</u>	<u>70,968</u>	<u>-</u>	<u>42,820</u>
-	464,744	464,744	-	-
317,335	317,335	-	-	-
-	4,005,236	4,290,922	-	285,686
<u>350,178</u>	<u>4,854,467</u>	<u>4,837,419</u>	<u>-</u>	<u>333,130</u>

(See accompanying notes to schedules of expenditures of federal and state awards.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Agency or Pass-Through Number
U.S. Department of Justice		
Passed through Tennessee Commission of Aging and Disability		
VOCA CREVAA (06/20)	16.575	57734
VOCA CREVAA (06/21)	16.575	67242
Passed through Tennessee Department of Finance and Administration, Office of Criminal Justice Programs		
VOCA OCJP (06/20)	16.575	35503
Total U.S. Department of Justice		
U.S. Department of Health & Human Services		
Passed through Greater Nashville Regional Council		
Aging Cluster		
Nutrition Program for the Elderly (06/20)	93.053	2020-40
Special Programs for the Aging		
Title III-C Nutrition Services (06/20)	93.045	2020-40
Title III-C Nutrition Services (06/21)	93.045	2019-40
Families First Meals on Wheels (06/21)	93.045	2020-A1
COVID-19 Coronavirus, Aid, Relief, and Economic Security Act	93.045	2021-C04
Title III-B Transportation Services (06/20)	93.044	2020-40
Title III-B Transportation Services (06/21)	93.044	2019-40
Title III-B Ombudsman (06/20)	93.044	2020-40
Title III-B Ombudsman (06/21)	93.044	2019-40
Title III-B Supportive Services (06/21)	93.044	2019-40
COVID-19 Coronavirus, Aid, Relief, and Economic Security Act (06/21)	93.044	2021-C40
Total Aging Cluster		
Special Programs for the Aging		
Title VII Ombudsman Funds (06/20)	93.042	2020-40
Title VII Ombudsman Funds (06/21)	93.042	2019-40
Title III-E Nutrition Services (06/21)	93.052	2021-C04
Passed through Tennessee Department Human Services		
Social Services Block Grant		
Homemaker SSBG (10/19-09/20) (06/20)	93.667	Z-20-49313
Homemaker SSBG (10/20-09/21) (06/21)	93.667	Z-21-49313
Total U.S. Department of Health & Human Services		
U.S. Department of Housing and Urban Development		
CDBG - Entitlement Grants - Cluster		
Passed through the City of Franklin		
Meals on Wheels CDBG (06/21)	14.218	2020-0301

(See accompanying notes to schedules of expenditures of federal and state awards.)

(Deferred) Accrued Revenue June 30, 2020	Receipts or Revenues Recognized	Disbursements/ Expenditures	Adjustments	(Deferred) Accrued Revenue June 30, 2021
15,406	15,406	-	-	-
-	129,064	151,119	-	22,055
(1,541)	-	-	1,541	-
13,865	144,470	151,119	1,541	22,055
30,352	30,352	-	-	-
179,655	179,655	-	-	-
-	914,403	1,097,284	-	182,881
-	261,966	261,966	-	-
-	352,120	472,383	-	120,263
34,842	34,842	-	-	-
-	227,705	250,200	-	22,495
10,933	10,933	-	-	-
-	41,667	50,000	-	8,333
-	100,000	100,000	-	-
-	11,146	24,000	-	12,854
255,782	2,164,789	2,255,833	-	346,826
10,517	10,517	-	-	-
-	55,918	67,101	-	11,183
-	135,138	200,000	-	64,862
91,670	314,736	223,066	-	-
-	590,845	685,057	-	94,212
357,969	3,271,943	3,431,057	-	517,083
-	40,000	40,000	-	-

(See accompanying notes to schedules of expenditures of federal and state awards.)

MID-CUMBERLAND HUMAN RESOURCE AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Agency or Pass-Through Number
Federal Emergency Management Agency		
Passed through Local Emergency Food and Shelter Boards		
Emergency Food and Shelter (06/20)	97.024	
COVID-19 Emergency Food and Shelter Montgomery County (06/21)	97.024	7748-00-002
Emergency Food and Shelter Montgomery County Phase 37 (06/21)	97.024	7748-00-002
Emergency Food and Shelter Montgomery County Phase 38 (06/21)	97.024	7748-00-002
COVID-19 Emergency Food and Shelter Cheatham County (06/21)	97.024	7636-00-002
Emergency Food and Shelter Cheatham County Phase 37 (06/21)	97.024	7636-00-002
Emergency Food and Shelter Cheatham County Phase 38 (06/21)	97.024	7636-00-002
COVID-19 Emergency Food and Shelter Rutherford County (06/21)	97.024	7774-00-004
Emergency Food and Shelter Rutherford County Phase 37 (06/21)	97.024	7774-00-004
Emergency Food and Shelter Rutherford County Phase 38 (06/21)	97.024	7774-00-004
Emergency Food and Shelter Williamson County Phase 37 (06/21)	97.024	7814-00-005
Emergency Food and Shelter Williamson County Phase 38 (06/21)	97.024	7814-00-005
COVID-19 Emergency Food and Shelter Wilson County (06/21)	97.024	7816-00-001
Emergency Food and Shelter Wilson County Phase 37 (06/21)	97.024	7816-00-001
Emergency Food and Shelter Wilson County Phase 38 (06/21)	97.024	7816-00-001
COVID-19 Emergency Food and Shelter Robertson County (06/21)	97.024	7772-00-010
Emergency Food and Shelter Robertson County Phase 37 (06/21)	97.024	7772-00-010
COVID-19 Emergency Food and Shelter Dickson County (06/21)	97.024	7660-00-003
Emergency Food and Shelter Dickson County Phase 38 (06/21)	97.024	7816-00-001
Total Federal Emergency Management Agency		
Department of the Treasury		
Passed through United Way of Greater Nashville		
Coronavirus Aid, Relief, and Economic Security Act -		
COVID-19 Meals on Wheels	21.019	MCHRA 2021
COVID-19 Transportation	21.019	MCHRA 2021
COVID-19 Community Corrections/Misdemeanor	21.019	MCHRA 2021
Total Department of the Treasury		
United States Department of Agriculture Child and Adult Care Food Program		
Passed through Greater Nashville Regional Council		
Nutrition Program for the Elderly (06/21)	10.558	2021-40
Total federal awards		

(See accompanying notes to schedules of expenditures of federal and state awards.)

(Deferred) Accrued Revenue June 30, 2020	Receipts or Revenues Recognized	Disbursements/ Expenditures	Adjustments	(Deferred) Accrued Revenue June 30, 2021
28,844	28,844	-	-	-
-	20,566	33,566	-	13,000
-	7,006	7,006	-	-
-	-	5,000	-	5,000
-	13,764	13,764	-	-
-	5,823	5,823	-	-
-	2,362	4,725	-	2,363
-	8,420	8,420	-	-
-	2,580	2,580	-	-
-	12,000	12,000	-	-
-	1,349	1,349	-	-
-	2,000	4,000	-	2,000
-	10,304	10,304	-	-
-	7,528	7,528	-	-
-	6,679	13,357	-	6,678
-	9,030	9,030	-	-
-	4,650	4,650	-	-
-	-	13,834	-	13,834
-	-	15,153	-	15,153
<u>28,844</u>	<u>142,905</u>	<u>172,089</u>	<u>-</u>	<u>58,028</u>
-	150,000	150,000	-	-
-	26,208	26,208	-	-
-	70,144	70,144	-	-
-	<u>246,352</u>	<u>246,352</u>	<u>-</u>	<u>-</u>
-	179,523	215,428	-	35,905
<u>\$ 4,341,424</u>	<u>\$ 24,818,212</u>	<u>\$ 24,005,164</u>	<u>\$ 31,897</u>	<u>\$ 3,560,273</u>

(See accompanying notes to schedules of expenditures of federal and state awards.)

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Agency or Pass-Through Number
Tennessee Department of Transportation	
Public Transportation (Section 5311) (07/19-06/20) (06/20)	Z-20-5311-11-00
Public Transportation (Section 5310) (07/20-12/20) (06/21)	Z-19-EMSP-21-01
Public Transportation (RPO) (06/20)	GG-17-50658
Public Transportation (RPO) (06/21)	GG-17-50658
Public Transportation (5317) (01/19-12/20) (06/20)	GG-19-63108
Public Transportation (5317) (07/20-12/20) (06/21)	GG-19-63108
Public Transportation (5317) (03/21-08/21) (06/21)	Z-21-5317-01
Tennessee Department of Corrections	
Community Corrections (06/20)	41760
Community Corrections (06/21)	41760
Tennessee Commission of Aging and Disability through Greater Nashville Regional Council	
Title III-C Nutrition Services (06/20)	2020-40
Title III-C Nutrition Services (06/21)	2021-C04
Total state awards	

Note - Governors' appropriation to human resource agencies was \$120,840 for this period. The appropriation is not shown on this schedule and is reported as state grant revenue.

(Deferred) Accrued Revenue June 30, 2020	Receipts or Revenues Recognized	Disbursements/ Expenditures	Adjustments	(Deferred) Accrued Revenue June 30, 2021
\$ 331,941	\$ 331,941	\$ -	\$ -	\$ -
-	58,093	58,093	-	-
3,836	3,836	-	-	-
-	3,518	9,496	-	5,978
1,077	1,077	-	-	-
-	2,204	2,204	-	-
-	877	3,189	-	2,312
166,121	166,121	-	-	-
-	967,038	1,168,829	-	201,791
10,924	10,924	-	-	-
-	54,619	65,543	-	10,924
<u>\$ 513,899</u>	<u>\$ 1,600,248</u>	<u>\$ 1,307,354</u>	<u>\$ -</u>	<u>\$ 221,005</u>

(See accompanying notes to schedules of expenditures of federal and state awards.)

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
NOTES TO SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2021**

(1) BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (schedules) include the federal and state activity of Mid-Cumberland Human Resource Agency (the Agency) for the year ended June 30, 2021. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance) and the State of Tennessee. Because the schedules present only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedules are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Agency has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

(3) SUBRECIPIENTS

The Agency did not provide federal or state assistance to any subrecipients.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

**To the Board of Directors of
Mid-Cumberland Human Resource Agency**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mid-Cumberland Human Resource Agency, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Mid-Cumberland Human Resource Agency's basic financial statements, and have issued our report thereon dated March 30, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Mid-Cumberland Human Resource Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mid-Cumberland Human Resource Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Mid-Cumberland Human Resource Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mid-Cumberland Human Resource Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Johnson, Nicky & Meucham, P.C.

Chattanooga, Tennessee
March 30, 2022



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Mid-Cumberland Human Resource Agency

Report on Compliance for Each Major Federal Program

We have audited Mid-Cumberland Human Resource Agency's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Mid-Cumberland Human Resource Agency's major federal programs for the year ended June 30, 2021. Mid-Cumberland Human Resource Agency's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Mid-Cumberland Human Resource Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Mid-Cumberland Human Resource Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Mid-Cumberland Human Resource Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, Mid-Cumberland Human Resource Agency, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Mid-Cumberland Human Resource Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Mid-Cumberland Human Resource Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Mid-Cumberland Human Resource Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Johnson, Wiley & Meacham, P.C.

Chattanooga, Tennessee
March 30, 2022

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

FINANCIAL STATEMENT FINDINGS

Prior Year Finding Number	Finding Title	Status/Current Year Finding Number
2020-001	Employee Accepting Cash and Improper Reconciliation Procedures	Corrected

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No prior audit findings.

**MID-CUMBERLAND HUMAN RESOURCE AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:		Unmodified
Internal control over financial reporting:		
Material weakness(es) identified?	___ Yes	___X___ No
Significant deficiency(ies) identified?	___ Yes	___X___ None reported
Noncompliance material to financial statements noted?	___ Yes	___X___ No

Federal Awards

Internal control over major federal programs:		
Material weakness(es) identified?	___ Yes	___X___ No
Significant deficiency(ies) identified?	___ Yes	___X___ None reported
Type of auditors' report issued on compliance for major federal programs:		Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?	___ Yes	___X___ No

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.509	Formula Grants for Other Than Urbanized Areas
93.667	Social Services Block Grant

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	___X___ Yes ___ No

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: **One Generation Away**

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

We are seeking funds for two mobile food pantry distributions in Franklin.

At One Generation Away, we rescue high-quality surplus foods from grocery stores, restaurants, caterers, and farms and distribute them to families experiencing food insecurity. This includes families who do not have access to enough food to live a healthy and active lifestyle, largely due to financial or physical constraints, such as living in a food desert. Last year, our nonprofit distributed 4.2 million pounds of food to people in need, which amounts to 3.5 million meals. Seven of our weekend food distributions in 2021 took place in Franklin.

In Franklin, while there are not any areas classified by the USDA as a food desert, there are areas — primarily from downtown Franklin to Downs Boulevard as well as the Liberty Creek and Royal Oaks areas — in which 5% to 10% of residents live without vehicles and live more than a half mile from a grocery store, which make these areas of struggle. Additionally, about 40% of PSSD students receive free and reduced lunches.

This \$5,000 grant would provide the funding necessary to cover two of our food distributions in Franklin this year.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

This \$5,000 grant would cover the food costs for two of our mobile food pantry distributions in Franklin.

Our distributions take place in parking lots of partnering schools, churches, businesses and organizations, so we are able to take food to areas of need to reduce the travel burden on food-insecure families. With the prices of gas, groceries, rent, and other necessities on the rise, this is more important than ever.

We rescue surplus food from grocery stores to provide to families throughout the week, but we also partner with organizations, such as Second Harvest of Middle Tennessee, to purchase food for our weekend food distributions. Second Harvest trucks cost \$2,500 each and provide 20,000 to 30,000 pounds of food, which means that every dollar buys about eight (8) meals. We use one truck per distribution, so this \$5,000 grant would cover food costs for two of our Franklin distributions: on June 18 and September 24.

At those distributions, our staff and many local volunteers will meet us onsite to unload, organize, and distribute the food to the individuals and families who come to receive. We believe that everyone should have access to nutritious food, and even in a generally affluent community like Franklin, there is a need for support.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☒ bi-monthly ☐ monthly ☐ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Elaine Whitney	3/14/22
Printed Name of (CEO/President/Executive Director/Board Chair)	Date

Elaine Whitney	3/14/22
Signature of (CEO/President/Executive Director/Board Chair)	Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: One Generation Away

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded **AND** the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☐ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



ONEGEN-C01

TPAYNE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/22/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Houchens Insurance Group 109 International Drive, Suite 101 Franklin, TN 37067	CONTACT NAME: Theresa Payne, CISR, CRIS, TRIP, MLIS	
	PHONE (A/C, No, Ext): (270) 781-2084 4429	FAX (A/C, No): (270) 843-8808
	E-MAIL ADDRESS: tpayne@higusa.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Philadelphia Insurance Company	
INSURED One Generation Away 104 SE Parkway Ste. 300 Franklin, TN 37064	INSURER B : Stonewood Insurance Company	11828
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:			PHPK2345214	11/3/2021	11/3/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY			PHPK2345214	11/3/2021	11/3/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED ☒ RETENTION \$ 10,000			PHUB791729	11/3/2021	11/3/2022	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A	WC100-0096551-2021A	11/3/2021	11/3/2022	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

City of Franklin City Hall 109 3rd Ave. South Franklin, TN 37064	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

LAST NAME	FIRST NAME	BOARD OFFICERS COMMITTEE CHAIRS	EMAIL	PHONE	COMPANY	POSITION	TERM
Algood	Richard	Secretary	richard.algood@kindred.com	615.293.7207	SchönHealth	Senior V.P.	Jan. 2021 - Dec. 2023 (2)
Anderson	Kevin		kanderson@salemusnetnetwork.com	615.202.9167	Salem Media Group	General Manager	Jan. 2022 - Dec. 2024 (1)
Dyer	Sue	Chairman	sue.dyer@hcahealthcare.com	615.519.5030	HCA	Sr. Operations Counsel	Jan. 2021 - Dec. 2023 (2)
Evans	Jim		jimevans@coreita.com	615.653.6333	CORE Real Estate LLC	CEO/Owner	Jan. 2020 - Dec. 2022 (2)
Fagnani	Rick		rfagnani1124@gmail.com	609.332.2160	Retired	KPMG Sr. Audit Partner	Jan. 2022 - Dec. 2024 (1)
Headen	Neil	Vice Chair/Treasurer	nheaden@firstcnb.com	615.491.4984	First Citizen National Bank	Sr. Vice President	Jan. 2021 - Dec. 2023 (2)
Kriec	Dave	HR Committee Chair	dave.kriec@healthconnectamerica.com	615.473.1386	Health Connect America	Reg. VP Adult Services	Jan. 2022 - Dec. 2024 (1)
Lusher	Jim		jplusher@gmail.com	615.405.9090	Hillside Catalyst, LLC	Associate Director	Jan. 2020 - Dec. 2022 (2)
Morrison	Jenn	Chair Emeritus	jlmorrison288@msn.com	615.305.5544	Retired	Dir. Strategic Ops. EY Tax	Jan. 2020 - Dec. 2022 (2)
Stachurski	Juliana		juliana@ellispond.com	615.440.0649	Ellis Pond	Owner	Jan. 2021 - Dec. 2023 (2)
Wallace	Harriet		harrietwallace@vya100.com	615.364.3002	Wallace Media Group	Owner	Jan. 2022 - Dec. 2024 (1)
Williams	Fred		wfredwilliams@gmail.com	615.260.9033	Retired	Real Estate Law	Jan. 2022 - Dec. 2024 (2)

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date, JUL 02 2014

ONE GENERATION AWAY
C/O RUSSELL J MCCANN
1804 WILLIAMSON CT STE 201
BRENTWOOD, TN 37027

Employer Identification Number:
46-2741214
DLN:
17053364319013
Contact Person:
CUSTOMER SERVICE ID# 31954
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
~~Form 990 Required:~~
Yes
Effective Date of Exemption:
May 4, 2013
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
October 8, 2021

615-741-2555
Tom.Riley@tn.gov

Chris Whitney
One Generation Away
320 Premier Ct S, Suite 218
Franklin, TN 37067

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
One Generation Away - CO25481
Registration Expiration Date: **June 30, 2022**

Dear Chris Whitney:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been approved.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS *Form 990*, *Form 990EZ*, or *990N* for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

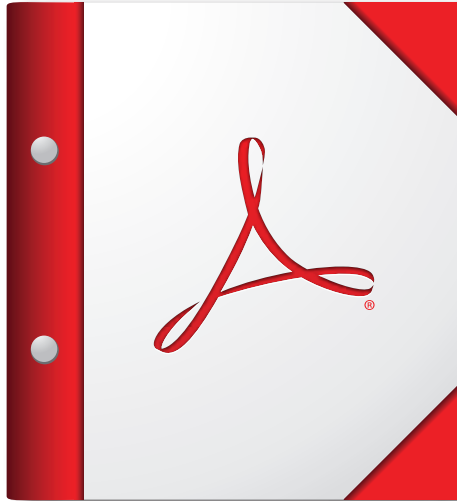
Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

NNS:CO25481



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Acrobat X or Adobe Reader X, or later.**

Get Adobe Reader Now!



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Second Harvest Food Bank of Middle Tennessee, Inc.

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

These funds will support our effort to collect donated food from retail stores in Franklin and Williamson County. We make this food (or equal volume of a diverse mix of food items) available to our nine nonprofit Partner Agencies in Franklin and Williamson.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

We call this program that collects donated food for distribution "Middle Tennessee's Table" or "MTT." The largest costs for MTT are for operating our trucks. These trucks and drivers go to work every weekday in and around Franklin, picking up donated food and delivering food to Partner Agencies that request it. These agencies include

Graceworks Fuel Program, Franklin
Graceworks Ministries, Franklin
Graceworks West, Franklin
Limestone Baptist Church, Franklin
One Gen Away, Franklin
St. Vincent De Paul @ St. Matthews, Franklin
Nolensville Food Pantry at Providence Baptist Church, Brentwood
Church at Fairview, Fairview
Spring Meadows Church of Christ, Spring Hill

Stores that we pickup from include Target, Publix, Kroger, Whole Foods and many other food retailers. Major vehicle operation costs are fuel and vehicle maintenance. We plan to rescue 36,600,000 pounds of food in our 46-county service area in FY22. Our overall vehicle budget for transportation is \$3,023,204. (This number does not include Personnel costs.) We estimate that in FY22 our fleet will deliver combined donated and low-cost purchased food to Williamson agencies totaling 2.2 million pounds, enough for 1.8 million meals.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☐ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

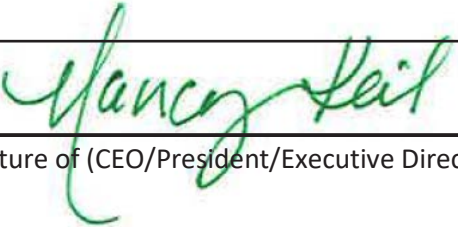
Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Nancy Keil	03/22/2022
---	---

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

	03/22/2022
---	---

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency

ACORDTM**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

6/17/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER HUB International Mid-South 3011 Armory Drive Suite 250 615-383-9761 Nashville, TN 37204	CONTACT NAME: Jennifer Davis, CIC PHONE (A/C, No, Ext): 615 383-9761 FAX (A/C, No): 615 383-4628 E-MAIL ADDRESS: jennifer.davis@hubinternational.com																					
INSURED Second Harvest Food Bank of Middle TN Inc. 331 Great Circle Road Nashville, TN 37228-1703	<table border="1"> <thead> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr> </thead> <tbody> <tr> <td colspan="2">INSURER A : Harleysville Preferred Ins Co</td><td></td></tr> <tr> <td colspan="2">INSURER B : Harleysville Insurance Company</td><td></td></tr> <tr> <td colspan="2">INSURER C : Key Risk Insurance Company</td><td>10885</td></tr> <tr> <td colspan="2">INSURER D : Harleysville Worcester Insurance Company</td><td>26182</td></tr> <tr> <td colspan="2">INSURER E :</td><td></td></tr> <tr> <td colspan="2">INSURER F :</td><td></td></tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : Harleysville Preferred Ins Co			INSURER B : Harleysville Insurance Company			INSURER C : Key Risk Insurance Company		10885	INSURER D : Harleysville Worcester Insurance Company		26182	INSURER E :			INSURER F :		
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INSURER F :																						

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:			MPA0000007176AV	06/16/2021	06/16/2022	EACH OCCURRENCE \$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000
							MED EXP (Any one person) \$5,000
							PERSONAL & ADV INJURY \$1,000,000
							GENERAL AGGREGATE \$2,000,000
D	AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS NON-OWNED AUTOS ONLY			BA0000007178AV	06/16/2021	06/16/2022	PRODUCTS - COMP/OP AGG \$2,000,000
							COMBINED SINGLE LIMIT (Ea accident) \$1,000,000
							BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
B	☒ UMBRELLA LIAB ☒ EXCESS LIAB DED ☒ RETENTION \$10000			CMB0000007177AV	06/16/2021	06/16/2022	PROPERTY DAMAGE (Per accident) \$
							EACH OCCURRENCE \$5,000,000
							AGGREGATE \$5,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☒ Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			KEY0145344	06/16/2021	06/16/2022	
							PER STATUTE ☒ OTH-ER ☐
							E.L. EACH ACCIDENT \$500,000
							E.L. DISEASE - EA EMPLOYEE \$500,000
							E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liab			MPA0000007176AV	06/16/2021	06/16/2022	\$1,000,000 Per Occ. \$2,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Subject to all of the terms, conditions, exclusions and definitions of the above referenced policies as issued by the carrier(s).

CERTIFICATE HOLDER**CANCELLATION**

For Information Only

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE

BOARD OF DIRECTORS: JULY 1, 2021 – JUNE 30, 2022



Jeff Aiken (term through 2022)

President
Tennessee Farm Bureau
Federation
o. 931-388-7872 ext.2201
j.aiken@tfbf.com

Assistant: Christina Kennedy
ckennedy@tfbf.com

Dave Alperson (2022)

Vice President
Amazon Logistics, Amazon
alperson@amazon.com

Assistant: Janice Haak
jhaak@amazon.com

Drew Berg (2024)

Chair, Audit Committee
Principal
Diversified Trust Company
o. 615-386-7302
dberg@diversifiedtrust.com

Michelle Bonnett (2022)

Assistant News Director
NewsChannel5 Network
o. 615-248-5371
mbonnett@newschannel5.com

Scott Bowers (2022)

CEO
Spiras Health
o. 629-240-5012
sbowers@spirashealth.com

Jamaal Boykin (2023)

Chair, Board Management Committee
Senior Staff Counsel
Asurion
o. 629-207-8103
jamaal.boykin@asurion.com

David Bradley (2022)

Managing Director
Spectrum Financial Advisors, LLC
davidbradley100@gmail.com

Suzanne Buchanan (2023)

Community Volunteer

Executive Director, Rotary Club of
Nashville
sjbuchanan8208@gmail.com

Gerard Bullock (2023)

Chair, Operations/Technology Committee
Principal Broker
Wiechert Realtors – The Andrews
Group
gerardbullock.4g@gmail.com

Lee Cunningham (2024)

Veteran Education Specialist
TN Higher Education Commission
rleecunningham@gmail.com

Troy Edwards (2024)

Board Secretary
Area President East
FreshPoint Nashville
troy.edwards@freshpoint.com

Bruce Esworthy (2023)

Board Treasurer and Chair, Finance & Investments Committee
SVP & CFO
BMI
o. 615-401-2400
besworthy@BMI.com

Assistant: Nonie Machunze
nmachunze@bmi.com

Andy Flatt (2023)

Chair, Executive Compensation Committee
SVP & Chief Information Officer
National HealthCare Corporation
o. 615-533-8784
aflatt@nhccare.com

Assistant: Janet Broadrick
jbroadrick@nhccare.com

Lucia Folk (Ad Hoc)

Prior Board Chair, Ad Hoc
President & CEO
The Change Agent-cy
lucia.folk@thechangeagency.com

Lisa Gardi (2022)

Chair, External Affairs Committee
Vice President of Marketing
Tri-Star Health
o. 615-886-4902
lisa.gardi@hcahealthcare.com

Dennis Georgatos (2023)

EVP, General Manager
Skanska USA
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Sonya Hostetler (2023)

Divisional President The Kroger
Company
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Assistant: Kelsey Wray
E: kelsey.wray@kroger.com

Dr. Shanna Jackson (2022)

President
Nashville State Community
College
o. 615-353-3236
shanna.jackson@nscc.edu

Updated: 08.2021

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE

BOARD OF DIRECTORS: JULY 1, 2021 – JUNE 30, 2022



Michael Johnson (2023)

Regional President & Head of
Corporate Banking
PNC Bank

o. 615-679-3808

michael.d.johnson@pnc.com

Assistant: Abbey Moncada

abbey.moncada@pnc.com

Jerome Katz (2023)

Chair, Project Preserve Committee
Senior Manager, Heath Industries
Advisory

PwC, PricewaterhouseCoopers

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jerome.s.katz@pwc.com

Nancy Keil

President & CEO

Second Harvest Food Bank
of Middle Tennessee

o. 615-627-1585

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org

Assistant: Kimberley Spradlin

kimberley.spradlin@secondharvest
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Brad Marks (2022)

Director of Global Operations
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Emma McNeil, Intern

Owen Board Fellow

Vanderbilt University

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Board Vice Chair General
Counsel LifePoint Health o.
615-520-7641

jennifer.peters@lpnt.net

Assistant: Gretchen Catron

gretchen.catron@lpnt.net

Emily Ragsdale, Intern

Young Leaders Council

Director, Strategy & Performance
Ankura Consulting Group

Emily.Ragsdale@ankura.com

Sharon W. Reynolds (2024)

President & CEO

DevMar Products, LLC

o. 615-232-7040

sharon@devmarproducts.com

Assistant: Tabitha David-
Williamson

tabitha@devmarproducts.com

Derek Schraw (2024)

Partner

Deloitte Tax LLP

o. 615-259-1860

dschraw@deloitte.com

Assistant: Michelle Montero

micmontero@deloitte.com

Ute Strand (2022)

COO

United Healthcare Community
Plan of TN

o. 615-493-5942

ute_w_strand@uhc.com

Assistant: Marvetta Scott

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Dr. Laquita Stribling (2024)

Senior Vice President

Randstad USA

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com

Ryan Tabor (2024)

Senior Managing Director Ankura
Consulting Group

ryan.tabor@ankura.com

Carman Wenkoff (2024)

EVP & Chief Information Officer

Dollar General

carman@wenkoff.com

Assistant: Erin Kloenne

ekloenne@dollargeneral.com

Shawn Williams (2022)

Board Chair

Director of Aftersales Marketing
Data Analytics

Nissan North America, Inc.

shawn.williams@nissan-usa.com

Assistant: Shannon Spencer

shannon.spencer@nissan-usa.com

Nancy Youssef (2024)

Chief Business & Development
Officer

Soles4Souls

o. 615-391-5723

nancy@soles4souls.org

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

FINANCIAL STATEMENTS,
ADDITIONAL INFORMATION
AND
INDEPENDENT AUDITOR'S REPORTS

JUNE 30, 2021 AND 2020

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

FINANCIAL STATEMENTS,
ADDITIONAL INFORMATION
AND
INDEPENDENT AUDITOR’S REPORTS

JUNE 30, 2021 AND 2020

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Second Harvest Food Bank of Middle Tennessee, Inc.
Board of Directors 2020-2021

Jeff Aiken	Lisa Gardi <i>Board Secretary</i>
Dave Alperson	Dennis Georgatos
Drew Berg <i>Board Treasurer</i>	Sonya Hostetler
Michelle Bonnett	Dr. Shanna Jackson
Scott Bowers	Michael Johnson
Jamaal Boykin	Jerome Katz
David Bradley	Nancy Keil <i>President & CEO</i>
Suzanne Buchanan	Brad Marks
Gerard Bullock	Jennifer Peters
Jim Burton	Sharon W. Reynolds
Lee Cunningham	Derek Schraw
Troy Edwards	Ute Strand
Bruce Esworthy	Laquita Stribling
Andy Flatt	Katherine Tosh
Lucia Folk <i>Board Chair</i>	Ken Watkins
David Fulmer	Shawn Williams <i>Board Vice Chair</i>

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Second Harvest Food Bank of Middle Tennessee, Inc.
Nashville, Tennessee

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Second Harvest Food Bank of Middle Tennessee, Inc. (the "Food Bank"), a Tennessee not-for-profit corporation, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, cash flows and functional expenses for the years then ended and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Food Bank as of June 30, 2021 and 2020, 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.

OTHER MATTERS

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Food Bank taken as a whole. The schedule of expenditures of federal awards on page 28-29, as required by Title 2 U.S. *Code of Federal Regulation* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), the board of directors listing on page i and the schedule of expenditures of state financial assistance on page 30, as required by the *Audit Manual* issued by the Comptroller of the Treasury of the State of Tennessee, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information on pages 28-30 has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole.

The board of directors listing on page i has not been subjected to the auditing procedures in the audit of the financial statements and, accordingly, we express no opinion or provide any assurance on it.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, on our consideration of the Food Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Food Bank's internal control over financial reporting and compliance.

 Knapf CPAs PLLC

Nashville, Tennessee
December 22, 2021

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 16,805,632	\$ 10,304,506
Cash - restricted debt reserve	140,000	140,000
Accounts receivable, net	2,455,446	3,765,036
Grants receivable	830,715	1,052,507
Pledges receivable, net	799,678	2,680,968
Inventories	10,213,625	8,079,641
Prepaid expenses and other current assets	129,064	88,624
Investments	13,038,172	2,223,581
Property and equipment, net	<u>18,198,248</u>	<u>18,858,930</u>
 TOTAL ASSETS	 <u>\$ 62,610,580</u>	 <u>\$ 47,193,793</u>
 LIABILITIES		
Accounts payable and accrued expenses	\$ 3,946,608	\$ 5,656,669
Deferred revenue	2,713,436	1,537,335
Long-term debt	<u>2,698,300</u>	<u>4,314,404</u>
 TOTAL LIABILITIES	 <u>9,358,344</u>	 <u>11,508,408</u>
 NET ASSETS		
Without donor restrictions:		
Designated:		
Donated food inventory	2,121,819	2,514,274
Property and equipment, less related debt	15,499,948	16,116,626
Board designated for long-term purposes	6,811,366	-
Board designated for repairs and maintenance	2,047,888	-
Undesignated	<u>25,223,964</u>	<u>14,568,174</u>
Total without donor restrictions	51,704,985	33,199,074
With donor restrictions	<u>1,547,251</u>	<u>2,486,311</u>
 TOTAL NET ASSETS	 <u>53,252,236</u>	 <u>35,685,385</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 62,610,580</u>	 <u>\$ 47,193,793</u>

See accompanying notes to financial statements.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

	<u>Without Donor</u>	<u>With Donor</u>	<u>Totals</u>
	<u>Restrictions</u>	<u>Restrictions</u>	
PUBLIC SUPPORT AND REVENUE			
Donated food	\$ 37,032,696	\$ -	\$ 37,032,696
Contributions	18,392,882	2,207,031	20,599,913
Government grants	40,800,687	-	40,800,687
Shared maintenance fees	(3,486)	-	(3,486)
Special events and activities	441,103	-	441,103
Less: direct benefits to donors	(45,708)	-	(45,708)
Investment income, net	844,463	-	844,463
Agency transportation reimbursement	220,788	-	220,788
Forgiveness of Paycheck Protection Program loan	1,572,100	-	1,572,100
Other income (loss)	477,708	-	477,708
Net assets released in satisfaction of program restrictions	<u>3,146,091</u>	<u>(3,146,091)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>102,879,324</u>	<u>(939,060)</u>	<u>101,940,264</u>
REVENUE - PROJECT PRESERVE® PROGRAM			
Sales to out of area network agencies, net of discount	49,211,393	-	49,211,393
Sales to local agencies	2,300,192	-	2,300,192
Donated food and services	<u>210,980</u>	<u>-</u>	<u>210,980</u>
TOTAL REVENUE - PROJECT PRESERVE® PROGRAM	51,722,565	-	51,722,565
LESS DIRECT COSTS AND EXPENSES - PROJECT PRESERVE® PROGRAM	<u>(44,284,062)</u>	<u>-</u>	<u>(44,284,062)</u>
GROSS PROFIT FROM PROJECT PRESERVE® PROGRAM	<u>7,438,503</u>	<u>-</u>	<u>7,438,503</u>
TOTAL SUPPORT AND REVENUE	<u>110,317,827</u>	<u>(939,060)</u>	<u>109,378,767</u>
EXPENSES			
Program services:			
Emergency Food Box	3,640,779	-	3,640,779
Community Food Partners	68,296,341	-	68,296,341
Children's Programs	2,273,531	-	2,273,531
Mobile Pantry	<u>12,986,935</u>	<u>-</u>	<u>12,986,935</u>
Total Program Services	<u>87,197,586</u>	<u>-</u>	<u>87,197,586</u>
Supporting services:			
Management and general	1,429,000	-	1,429,000
Fundraising	<u>3,185,330</u>	<u>-</u>	<u>3,185,330</u>
Total Supporting Services	<u>4,614,330</u>	<u>-</u>	<u>4,614,330</u>
TOTAL EXPENSES	<u>91,811,916</u>	<u>-</u>	<u>91,811,916</u>
CHANGE IN NET ASSETS	18,505,911	(939,060)	17,566,851
NET ASSETS - BEGINNING OF YEAR	<u>33,199,074</u>	<u>2,486,311</u>	<u>35,685,385</u>
NET ASSETS - END OF YEAR	<u>\$ 51,704,985</u>	<u>\$ 1,547,251</u>	<u>\$ 53,252,236</u>

See accompanying notes to financial statements.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2020

	<u>Without Donor</u>	<u>With Donor</u>	<u>Totals</u>
	<u>Restrictions</u>	<u>Restrictions</u>	
PUBLIC SUPPORT AND REVENUE			
Donated food	\$ 38,290,288	\$ -	\$ 38,290,288
Contributions	18,061,140	3,123,484	21,184,624
Government grants	16,636,481	-	16,636,481
Shared maintenance fees	378,838	-	378,838
Special events and activities	181,328	-	181,328
Investment income, net	135,065	-	135,065
Agency transportation reimbursement	204,113	-	204,113
Other income (loss)	132,270	-	132,270
Net assets released in satisfaction of program restrictions	<u>3,441,384</u>	<u>(3,441,384)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>77,460,907</u>	<u>(317,900)</u>	<u>77,143,007</u>
REVENUE - PROJECT PRESERVE® PROGRAM			
Sales to out of area network agencies, net of discount	37,085,138	-	37,085,138
Sales to local agencies	2,502,961	-	2,502,961
Donated food and services	<u>228,031</u>	<u>-</u>	<u>228,031</u>
TOTAL REVENUE - PROJECT PRESERVE® PROGRAM	39,816,130	-	39,816,130
LESS DIRECT COSTS AND EXPENSES - PROJECT PRESERVE® PROGRAM	<u>(36,444,326)</u>	<u>-</u>	<u>(36,444,326)</u>
GROSS PROFIT FROM PROJECT PRESERVE® PROGRAM	<u>3,371,804</u>	<u>-</u>	<u>3,371,804</u>
TOTAL SUPPORT AND REVENUE	<u>80,832,711</u>	<u>(317,900)</u>	<u>80,514,811</u>
EXPENSES			
Program services:			
Emergency Food Box	4,021,427	-	4,021,427
Community Food Partners	49,582,895	-	49,582,895
Children's Programs	2,502,214	-	2,502,214
Mobile Pantry	<u>9,377,314</u>	<u>-</u>	<u>9,377,314</u>
Total Program Services	<u>65,483,850</u>	<u>-</u>	<u>65,483,850</u>
Supporting services:			
Management and general	1,200,309	-	1,200,309
Fundraising	<u>3,040,713</u>	<u>-</u>	<u>3,040,713</u>
Total Supporting Services	<u>4,241,022</u>	<u>-</u>	<u>4,241,022</u>
TOTAL EXPENSES	<u>69,724,872</u>	<u>-</u>	<u>69,724,872</u>
CHANGE IN NET ASSETS	11,107,839	(317,900)	10,789,939
NET ASSETS - BEGINNING OF YEAR	<u>22,091,235</u>	<u>2,804,211</u>	<u>24,895,446</u>
NET ASSETS - END OF YEAR	<u>\$ 33,199,074</u>	<u>\$ 2,486,311</u>	<u>\$ 35,685,385</u>

See accompanying notes to financial statements.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 17,566,851	\$ 10,789,939
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,289,730	1,236,350
(Gain) loss on sale of equipment	2,249	(900)
Forgiveness of Paycheck Protection Program loan	(1,572,100)	-
Noncash contribution of investments	(250,224)	(364,290)
Realized and unrealized gains on investments	(830,516)	(134,876)
(Increase) decrease in:		
Accounts receivable	1,309,590	(1,985,425)
Grants receivable	221,792	(242,339)
Pledges receivable	1,881,290	1,317,575
Inventories	(957,883)	(2,310,472)
Prepaid expenses and other current assets	(40,440)	222,520
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,710,061)	2,976,073
Deferred revenue	-	162,847
TOTAL ADJUSTMENTS	<u>(656,573)</u>	<u>877,063</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>16,910,278</u>	<u>11,667,002</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	269,741	429,322
Purchases of investments	(10,003,592)	(13,392)
Proceeds from sale of equipment	30,946	900
Additions to property and equipment	<u>(662,243)</u>	<u>(1,308,598)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(10,365,148)</u>	<u>(891,768)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Draws on USDA loan	-	159,164
Paycheck Protection Program loan funding	-	1,572,100
Net (repayments) draws on lines of credit	-	(2,503,244)
Payments on long-term debt	<u>(44,004)</u>	<u>(161,901)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(44,004)</u>	<u>(933,881)</u>
NET INCREASE IN CASH	6,501,126	9,841,353
CASH - BEGINNING OF YEAR	<u>10,444,506</u>	<u>603,153</u>
CASH - END OF YEAR	<u>\$ 16,945,632</u>	<u>\$ 10,444,506</u>
Operating cash	\$ 16,805,632	\$ 10,304,506
Restricted cash - debt reserve	<u>140,000</u>	<u>140,000</u>
TOTAL CASH	<u>\$ 16,945,632</u>	<u>\$ 10,444,506</u>
OTHER CASH FLOW DISCLOSURES:		
Cash paid for interest	<u>\$ 94,153</u>	<u>\$ 179,877</u>

See accompanying notes to financial statements.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2021

	PROGRAM SERVICES					SUPPORTING SERVICES		
	PROJECT	EMERGENCY	COMMUNITY	CHILDREN'S	MOBILE	MANAGEMENT	FUND	
	PRESERVE®	FOOD BOX	FOOD PARTNERS	PROGRAMS	PANTRY	AND GENERAL	RAISING	TOTALS
Salaries	\$ 1,113,249	\$ 333,708	\$ 2,472,107	\$ 467,198	\$ 485,874	\$ 467,192	\$ 1,334,831	\$ 6,674,159
Contract labor	84,133	16,382	447,984	12,776	73,355	44,224	-	678,854
Payroll taxes and benefits	345,649	102,663	775,853	143,930	150,856	146,891	417,155	2,082,997
TOTAL SALARIES AND RELATED EXPENSES	1,543,031	452,753	3,695,944	623,904	710,085	658,307	1,751,986	9,436,010
Food supplies and distribution	42,233,075	85,193	1,783,314	12,755	-	6,718	1,237	44,122,292
Donated food	210,980	746,936	28,668,668	145,638	7,863,910	-	-	37,636,132
Non-cash food commodities distributed	-	1,468,870	29,860,870	89,201	3,322,237	-	-	34,741,178
Internal food purchases and/or reimbursement	(3,312,234)	316,835	1,324,829	1,132,652	537,918	-	-	-
Product transportation	2,730,636	129,993	837,968	64,997	160,802	-	2,531	3,926,927
Office and administration	103,860	15,243	245,784	17,900	44,751	344,603	569,231	1,341,372
Occupancy	497,687	115,281	1,076,027	72,252	193,572	37,343	151,140	2,143,302
Depreciation	160,948	261,028	602,937	75,185	115,701	34,241	39,690	1,289,730
Communication expense	21,709	12,955	19,972	20,129	3,833	9,343	630,659	718,600
Travel and conferences	13,528	-	1,394	75	267	506	1,120	16,890
National network dues	-	-	-	-	-	-	-	-
Professional fees	11,309	926	18,205	1,460	3,073	320,556	18,166	373,695
Other special event costs	-	-	-	-	-	-	47,895	47,895
Insurance	69,533	34,766	160,429	17,383	30,786	17,383	17,383	347,663
TOTAL EXPENSES	44,284,062	3,640,779	68,296,341	2,273,531	12,986,935	1,429,000	3,231,038	136,141,686
Less expenses included with revenues on the statement of activities:								
Direct benefits to donors	-	-	-	-	-	-	(45,708)	(45,708)
Direct costs and expenses of Project Preserve® program	(44,284,062)	-	-	-	-	-	-	(44,284,062)
TOTAL EXPENSES INCLUDED IN EXPENSE SECTION OF STATEMENT OF ACTIVITIES	\$ -	\$ 3,640,779	\$ 68,296,341	\$ 2,273,531	\$12,986,935	\$ 1,429,000	\$ 3,185,330	\$ 91,811,916

See accompanying notes to financial statements.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2020

	PROGRAM SERVICES					SUPPORTING SERVICES		
	PROJECT	EMERGENCY	COMMUNITY	CHILDREN'S	MOBILE	MANAGEMENT	FUND	
	PRESERVE®	FOOD BOX	FOOD PARTNERS	PROGRAMS	PANTRY	AND GENERAL	RAISING	TOTALS
Salaries	\$ 1,150,139	\$ 480,634	\$ 2,265,095	\$ 619,716	\$ 498,430	\$ 447,595	\$ 1,385,028	\$ 6,846,637
Contract labor	22,735	10,358	195,911	6,082	30,691	523	1,337	267,637
Payroll taxes and benefits	340,945	142,110	687,283	182,389	149,353	150,322	410,559	2,062,961
TOTAL SALARIES AND RELATED EXPENSES	1,513,819	633,102	3,148,289	808,187	678,474	598,440	1,796,924	9,177,235
Food supplies and distribution	34,912,180	97,056	602,079	20,998	132,701	8,118	7,254	35,780,386
Donated food	228,031	1,472,734	28,793,065	185,499	7,469,271	-	-	38,148,600
USDA commodities distribution	-	785,130	13,695,064	-	-	-	-	14,480,194
Internal food purchases and/or reimbursement	(2,778,576)	477,373	581,657	1,225,844	493,702	-	-	-
Product transportation	1,731,144	126,901	783,895	63,450	172,774	-	2,683	2,880,847
Office and administration	56,974	24,681	306,909	22,171	64,305	399,093	481,696	1,355,829
Occupancy	512,816	111,977	931,124	69,320	203,551	36,185	118,917	1,983,890
Depreciation	160,393	248,325	547,305	71,848	120,629	45,439	42,411	1,236,350
Communication expense	19,545	12,820	22,166	17,864	4,886	13,441	554,007	644,729
Travel and conferences	21,115	-	6,123	-	1,349	10,125	7,918	46,630
National network dues	-	-	-	-	-	19,692	-	19,692
Professional fees	7,920	1,845	22,253	2,291	4,162	62,427	14,550	115,448
Other special event costs	-	-	-	-	-	-	4,539	4,539
Insurance	58,965	29,483	142,966	14,742	31,510	7,349	9,814	294,829
TOTAL EXPENSES	36,444,326	4,021,427	49,582,895	2,502,214	9,377,314	1,200,309	3,040,713	106,169,198
Less expenses included with revenues on the statement of activities:								
Direct benefits to donors	-	-	-	-	-	-	-	-
Direct costs and expenses of Project Preserve® program	(36,444,326)	-	-	-	-	-	-	(36,444,326)
TOTAL EXPENSES INCLUDED IN EXPENSE SECTION OF STATEMENT OF ACTIVITIES	\$ -	\$ 4,021,427	\$ 49,582,895	\$ 2,502,214	\$ 9,377,314	\$ 1,200,309	\$ 3,040,713	\$ 69,724,872

See accompanying notes to financial statements.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

NOTE 1 - GENERAL

Second Harvest Food Bank of Middle Tennessee, Inc. (the "Food Bank") was founded in 1978. Its mission is to provide food to people facing hunger and work to advance hunger solutions. The Food Bank is one of over 200 certified members of Feeding America®, the Nation's Food Bank Network.

The Food Bank also operates the Project Preserve® program which distributes purchased products and internally manufactured food items to local agencies and other Feeding America® affiliates throughout the country. The gross profit from these sales is used to supplement the Food Bank's efforts within its own local service area. During 2021 and 2020, the program contributed approximately \$7.4 million and \$3.4 million, respectively, to the Food Bank's mission to feed hungry people.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Food Bank have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), which require the Food Bank to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Food Bank's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Food Bank or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Food Bank did not have any net assets with donor restrictions that are perpetual in nature as of June 30, 2021 or 2020.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statements of Activities.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Grants

Contributions are recognized when cash, securities or other assets, an unconditional promise to give is received. A contribution is conditional if an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets exists. The presence of both a barrier and a right of return or right of release indicates that a recipient is not entitled to the contribution until it has overcome the barrier(s) in the agreement. Conditional promises to give are not recognized until the barrier(s) in the agreement are overcome.

Grants awarded by various federal, state and local agencies are generally considered nonreciprocal transactions restricted by sponsors for certain purposes. Grant revenue is recognized when the conditions upon which it depends are substantially met, which primarily is when qualifying expenses occur. Payments received in advance of conditions being met and the value of undistributed food commodities are recorded as deferred revenue on the Statements of Financial Position.

Any gifts of equipment, facilities or materials are reported as net assets without donor restrictions unless explicit donor restrictions specify how the assets must be used. Gifts of long-lived assets with explicit restrictions as to how the assets are to be used or funds restricted for the acquisition of long-lived assets are reported as net assets with donor restrictions. Expirations of donor restrictions are recognized when the donated or acquired long-lived assets are placed in service.

Donated Services

Donated services are recognized if the services (a) create or enhance non-financial assets; or (b) require specialized skills, are performed by people with those skills, and would have otherwise been purchased by the Food Bank.

A substantial number of unpaid volunteers have contributed their time to the Food Bank's program and supporting services. The value of this contributed time is not reflected in these statements since it does not meet the criteria noted above.

Project Preserve[®] Revenue Recognition

Revenues are recognized when control of the product is transferred to customers, in an amount that reflects the consideration the Food Bank expects to be entitled to for those products. The nature of the Food Bank's business does not give rise to variable consideration.

Project Preserve[®] sales are reported net of allowances for discounts and returns. Revenue is recognized when the product is shipped to the customer. Project Preserve[®] sells products primarily to out-of-area agencies in the Feeding America[®] network, but also sells to partner agencies within the Food Bank's local area. In addition to selling purchased product, the program also operates a cook/chill operation, which is a method of food manufacturing that involves heating food, pumping the product into form-fill plastic bags that are heat sealed, then super cooled for approximately 45 minutes prior to freezing the product. It has utilized large amounts of donated ingredients that would have otherwise been wasted. Additionally, this operation produces tray pack meals for children's feeding, senior nutrition and partner agencies that do direct home distribution to clients in need.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Project Preserve® Revenue Recognition (Continued)

Another component of Project Preserve is to provide disaster relief. In 2021, Project Preserve was able to respond to the needs of Feeding America Network food banks during the COVID-19 pandemic by proving nearly 1.4 million assembled food boxes for a total of nearly \$22 million in sales. During March - June of 2020, Project Preserve provided nearly 256,000 assembled food boxes for a total of over \$3.7 million.

Cash

Cash consists principally of checking and deposit account balances.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discount on those amounts is computed using a risk-free interest rate applicable to the month in which the promise is received (insignificant for June 30, 2021 and 0.29% as of June 30, 2020). Amortization of the discount, if any, is recognized on the interest method over the term of the gift and included in contribution revenue.

An allowance for uncollectible contributions is provided based on management's estimate of uncollectible pledges and historical trends. Pledges deemed to be uncollectible are charged off against the allowance in the period of determination.

Accounts Receivable

The Food Bank sells purchased food and supplies to other not-for-profit agencies under the Project Preserve® program. Accounts receivable are reported at gross sales price less any applicable payments or adjustments. The Food Bank extends trade credit based on evaluation of those agencies' financial condition and, generally, does not require collateral. The Food Bank does not charge interest on past due accounts.

The Food Bank estimates an allowance for doubtful accounts on trade accounts receivable, which may not be fully collectible, based on its knowledge of customers' individual credit circumstances, the Food Bank's historical loss experience and current economic conditions. Accounts determined to be uncollectible are charged off against the allowance in the period of determination. Subsequent recoveries of previously charged off accounts are credited to the allowance in the period received.

Management estimated the allowance for doubtful accounts to be approximately \$10,700 at June 30, 2021 and 2020.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Food inventories include donated food, purchased inventory, manufactured product and undistributed commodities (United States Department of Agriculture (“USDA”), Tennessee Emergency Management Agency (“TEMA”) and Farmers to Families food boxes). Donated food received from food drives, food companies, grocery stores and Feeding America[®] is valued at the estimated average market value at the date of gift for all noncash donations, based on a study commissioned by Feeding America[®], which amounted to \$1.79 per pound in 2021 (\$1.74 per pound in 2020). Purchased inventory is reported at average cost, which approximates the lower of cost or net realizable value. During 2020, USDA inventory was valued at the most recent USDA established market value and recognized as program services expense when distributed. Effective July 1, 2020, the Food Bank began valuing all commodity inventory (USDA, TEMA and Farmers to Families food boxes) at the Feeding America[®] rate for food-only donations (or \$1.70 per pound) and is recognized as both grant revenue and program service expense when distributed.

Investments

Investments consist of money market accounts, certificates of deposit, equities, equity funds and fixed income funds. Money market accounts and certificates of deposit are carried at cash value plus accrued interest. Equities, equity funds and fixed income funds are carried at their quoted market value on the last business day of the reporting period. Interest and dividends, as well as changes in unrealized gains and losses, are recognized currently in the Statements of Activities.

Property and Equipment

Property and equipment are reported at cost at the date of purchase or at estimated fair value at the date of gift to the Food Bank. The Food Bank’s policy is to capitalize purchases with a cost of \$5,000 or more and an estimated useful life greater than one year. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets as follows: five to thirty-nine years for building and improvements, two to fifteen years for equipment, three to five years for furniture and three to seven years for transportation equipment.

Fair Value Measurements

The Food Bank classifies its assets and liabilities measured at fair value based on a hierarchy consisting of: Level 1 (valued using quoted prices from active markets for identical assets), Level 2 (not traded on an active market but for which observable market inputs are readily available) and Level 3 (valued based on significant unobservable inputs).

An asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

Investments - Equities, equity funds and fixed income funds are classified within Level 1 where quoted market prices are available in an active market for identical assets. If quoted market prices are unavailable, fair value is estimated using quoted prices of investments with similar characteristics, and the investments are classified within Level 2.

Donated inventory - The value of donated food is based on poundage times a standard rate. The donated food rate is updated annually based on a study commissioned by Feeding America®, which is classified as Level 2. The inputs used in the valuation include twenty-nine product types calculating a weighted-average value for the year based on actual donated pounds by type on a national level.

Commodities - The value of federal and state commodities is based on the poundage times the standard rate determined by Feeding America® noted above. For all commodities, the Food Bank utilizes the ‘food only’ rate determined in the calculation.

There have been no significant changes in the valuation methodologies since the prior year. The Food Bank did change its manner of valuing food commodities received under various federal and state programs to be consistent with the Feeding America® study as opposed to the published USDA prices, which resulting in inclusion in the fair value table beginning in 2021. This effect of changing this valuation was insignificant to the financial statements.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Food Bank believes its valuation method is appropriate and consistent with that of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Paycheck Protection Program Loan

During 2020, the Food Bank was the recipient of a loan under the Paycheck Protection Program (“PPP”). The PPP, established as a part of the Coronavirus Aid, Relief and Economic Security (“CARES”) Act, provides for loans to small businesses to pay up to 24 weeks of payroll costs and benefits, interest on mortgages, rent and utilities. The loan was fully forgivable if certain conditions are met and was forgiven in its entirety during 2021. The Food Bank accounted for the loan as a financial liability until such time the loan was forgiven and has recognized a gain on forgiveness during the current year.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Program Services - include activities carried out to fulfill the Food Bank's mission, resulting in services provided to feed those facing hunger in Middle and West Tennessee. Program services are the major purpose of the organization. The Food Bank distributes food to people in need in forty-six Middle and West Tennessee counties through the following programs:

Emergency Food Box - provided approximately 1.3 million meals in 2021 for emergency staples, as well as produce, meat and dairy, to families in need through its eleven satellite centers in Davidson County that operated throughout the COVID-19 pandemic.

Community Food Partners - provided nearly 32,000,000 pounds of food during 2021 (or nearly 27 million meals) to nearly 450 not-for-profit agencies, including soup kitchens, pantries and emergency food programs (27,000,000 pounds of food in 2020). Also included under the Community Food Partners program umbrella in the financial statements are:

Grocery Rescue - collects perishable and non-perishable food from nearly 280 retail partners for distribution to partner agencies and programs. These products include meats, produce, dairy, bread, bakery items and dry products. During 2021 and 2020, the Food Bank collected over 7.3 million pounds of food (equivalent to nearly 6 million meals) under this program.

SNAP Outreach - The Food Bank offers SNAP Outreach through our Emergency Food Box Sites, Mobile Pantry Distributions, and partner agencies. SNAP, also known as Food Stamps, is for people and families with low incomes, including working people, households with children, seniors, unemployed people, immigrant families and people with disabilities. SNAP helps them buy the food they need for good health. Second Harvest's Benefits Outreach Counselor shares information about the nutrition benefits of SNAP, pre-screens potential participants and helps people fill out the SNAP Application. Counselors assisted in completing approximately 1,300 applications during 2021 (3,200 applications during 2020).

The Food Bank operates CSFP (Commodity Supplemental Food Program) which works to improve the health of low-income persons at least 60 years of age by supplementing their diets with nutritious USDA foods. In 2021, 24,392 boxes (22,036 boxes in 2020) were distributed to qualified seniors in Davidson County.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and Supporting Services (Continued)

Children's Programs - includes Kids Café®, At Risk After School Program and the Backpack Program. Kids Café® and At Risk After School Program operates a weekly feeding program for children at risk of hunger in several area community centers and provided over 138,000 nutritious meals to children during 2021 (165,000 meals during 2020). The mission of the Backpack Program is to meet the needs of hungry children by providing them with nutritious and easy to prepare food to take home on weekends when other resources are not available. During 2021, the Food Bank distributed over 200,000 backpacks to hungry children (over 250,000 backpacks in 2020).

The School Food Pantry program is designed to increase food access for families in need. Fifty sites were operated during 2021 providing over 375,000 pounds, or over 300,000 meals, of food to families in need (forty-five sites were operating in 2020, providing over 270,000 pounds of food).

Mobile Pantry - Mobile Pantry travels to the forty-six-county service area and delivers perishable and non-perishable food and supplies that are distributed to people in need. During 2021, nearly 6,000,000 pounds of food (6,600,000 pounds of food in 2020) were distributed through this program's 261 events.

COVID-19 Response - Second Harvest Food Bank was able to employ innovative measures to in 2021 continue to safely serve programs and clients. Nearly 5 million pounds of COVID-relief food was distributed throughout the fiscal year. Produce boxes and assembled dry boxes were among the safe distribution methods employed to ensure our neighbors facing hunger were able to access the food they needed during this time. During the last 3.5 months of fiscal 2020, over 2.7 million pounds of COVID-relief food was distributed.

Supporting Services

Management and General - relates to the overall direction of the organization. These expenses are not identifiable with a particular program or with fundraising but are indispensable to the conduct of those activities and are essential to the organization. Specific activities include organization oversight, business management, recordkeeping, budgeting, financing and other administrative activities

Fundraising - includes costs of activities directed toward appeals for financial support, including special events. Other activities include the cost of solicitations and creation and distribution of fundraising materials.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Functional Expenses

Expenses that can be directly attributed to a particular function are charged to that function. Certain costs have been allocated among more than one program or activity based on objectively evaluated financial and non-financial data or reasonable subjective methods determined by management. Some expenses are allocated based on time and effort of the people working in the program and other expenses are allocated based on the number of pounds of food distributed by the program.

Shipping and Handling

Shipping and handling charges billed to customers through the Project Preserve[®] program are included in sales to out of area network agencies. Associated costs are included in product transportation expense in the Statements of Functional Expenses, which is reported as a direct cost and expense of the Project Preserve[®] program in the Statements of Activities.

Income Taxes

The Food Bank qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). Accordingly, income taxes are not provided.

The Food Bank files a U.S. Federal Form 990 for organizations exempt from income tax.

Management performs an evaluation of all income tax positions taken or expected to be taken in the course of preparing the Food Bank's income tax returns to determine whether the income tax positions meet a "more likely than not" standard of being sustained under examination by the applicable taxing authorities. Management has performed its evaluation of all income tax positions taken on all open income tax returns and has determined that there were no positions taken that do not meet the "more likely than not" standard. Accordingly, there are no provisions for income taxes, penalties or interest receivable or payable relating to uncertain income tax positions in the accompanying financial statements.

Use of Estimates in the Preparation of Financial Statements

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

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements

On July 1, 2020, the Food Bank adopted Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers* (Topic 606), and all subsequent amendments to the ASU (collectively, “ASC 606”) which supersedes most existing revenue recognition guidance and outlines a single comprehensive standard for revenue recognition across all industries. ASC 606 requires revenue to be recognized in an amount that reflects the considerations to which the entity expects to be entitled in an exchange of goods or services. The Food Bank adopted ASC 606 using the modified retrospective method applied to all contracts not completed as of July 1, 2020.

The Food Bank performed an analysis of revenue streams and transactions to determine in-scope applicability. The revenue streams considered in-scope for purposes of ASC 606 include Project Preserve[®] sales, shared maintenance fees and agency transportation reimbursement. The Food Bank recognizes revenues that fall within the scope of ASC 606 as it satisfies its obligation to the customer. The adoption of ASC 606 did not result in a material change to the accounting for any of the in-scope revenue streams; as such, the Food Bank did not record a cumulative effect adjustment.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*, which makes narrow scope improvements to the standard for specific issues. In July 2018, the FASB also issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, which provides an optional transition method allowing the standard to be applied at the adoption date. In March 2019, the FASB issued ASU 2019-01, *Leases (Topic 842) Codification Improvements*, which exempts entities from having to provide the interim disclosures required by Accounting Standards Codification (“ASC”) 250-10-50-3 in the fiscal year in which an organization adopts the new leases standard.

A modified retrospective transition approach is required. An entity may adopt the guidance either (1) retrospectively to each prior reporting period presented in the financial statements with a cumulative-effect adjustment recognized at the beginning of the earliest comparative period presented or (2) retrospectively at the beginning of the period of adoption through a cumulative-effect adjustment. The new standard, which will be effective for the Food Bank July 1, 2022, provides a number of practical expedients. The Food Bank is currently evaluating the impact of the pending adoption of the new standard on its financial statements.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements (Continued)

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires a not-for-profit entity to present contributed nonfinancial assets in the statement of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. This ASU is effective for the Food Bank beginning on July 1, 2021. The Food Bank is currently evaluating the impact of this new guidance on its financial statements.

Events Occurring after Reporting Date

The Food Bank has evaluated events and transactions that occurred between June 30, 2021 and December 22, 2021, the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 3 - AVAILABILITY AND LIQUIDITY

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

	<u>2021</u>	<u>2020</u>
Cash	\$ 16,805,632	\$ 10,304,506
Accounts receivable, net	2,455,446	3,765,036
Grants receivable	830,715	1,052,507
Pledges receivable, net	799,678	2,680,968
Investments	<u>13,038,172</u>	<u>2,223,581</u>
Total financial assets	<u>33,929,643</u>	<u>20,026,598</u>
Less amounts not available to be used within one year:		
Net assets with donor imposed restrictions	1,547,251	2,486,311
Board designated for long-term purposes	6,811,366	-
Board designated for repairs and maintenance	2,047,888	-
Unrestricted pledge amounts to be collected in greater than one year	<u>117,538</u>	<u>273,154</u>
	<u>10,524,043</u>	<u>2,759,465</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 23,405,600</u>	<u>\$ 17,267,133</u>

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 3 - AVAILABILITY AND LIQUIDITY (CONTINUED)

As part of the liquidity management plan, the Food Bank invests cash in excess of normal requirements in short-term investments, certificates of deposit and money market funds. Additionally, the Food Bank has an operating line of credit in the amount of \$2,500,000 that can be used if needed. At June 30, 2021 and 2020, the line had a \$0 balance.

NOTE 4 - PLEDGES RECEIVABLE

During 2014, the Food Bank began soliciting donations for a capital campaign *Setting the Table for the Future*, for expansion and improvements to more effectively distribute food to the 46-county service area. During 2019, the Food Bank broke ground on a 25,800 square foot western branch in Benton County, made renovations and additions to the Nashville facility and expanded into Rutherford County by leasing 86,000 square feet of warehouse space that houses the Project Preserve Program and serves as the operations facility for a 15-county area. Both the Benton and Rutherford County facilities opened for business during the 2019 fiscal year and the final improvements to the main Nashville facility were completed in July 2019. Collections on outstanding pledges will be utilized to pay down the related debt.

In addition to the capital campaign pledges, the Food Bank has pledges receivable for general operations.

Pledges receivable for both operations and the capital campaign consisted for the following as of June 30, 2021:

	<u>Operating</u>	<u>Capital Campaign</u>	<u>Total</u>
Due in less than one year	\$ 529,804	\$ 207,618	\$ 737,422
Due in one to five years	2,785	107,538	110,323
Due in greater than five years	-	10,000	10,000
	532,589	325,156	857,745
Less: Allowance for uncollectible pledges	(45,409)	-	(45,409)
Less: Discount to present value	(4,496)	(8,162)	(12,658)
	<u>\$ 482,684</u>	<u>\$ 316,994</u>	<u>\$ 799,678</u>

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 4 - PLEDGES RECEIVABLE (CONTINUED)

Pledges receivable for both operations and the capital campaign consisted for the following as of June 30, 2020:

	<u>Operating</u>	<u>Capital Campaign</u>	<u>Total</u>
Due in less than one year	\$ 726,827	\$ 878,870	\$ 1,605,697
Due in one to five years	890,417	263,154	1,153,571
Due in greater than five years	-	10,000	10,000
	1,617,244	1,152,024	2,769,268
Less: Allowance for uncollectible pledges	(45,409)	-	(45,409)
Less: Discount to present value	(20,277)	(22,614)	(42,891)
	<u>\$ 1,551,558</u>	<u>\$ 1,129,410</u>	<u>\$ 2,680,968</u>

NOTE 5 - INVENTORIES

Inventories consisted of the following at June 30:

	<u>2021</u>	<u>2020</u>
Donated food	\$ 2,121,819	\$ 2,514,274
USDA commodities inventory	1,577,341	778,517
TEMA commodities inventory	1,136,095	491,621
Farmers to Families food box inventory	-	267,197
Cook/chill manufactured inventory	144,591	180,873
Purchased inventory	5,233,779	3,847,159
	<u>\$ 10,213,625</u>	<u>\$ 8,079,641</u>

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 6 - INVESTMENTS

Investments consisted of the following at June 30:

	<u>2021</u>	<u>2020</u>
Liquid money market funds	\$ 5,024,917	\$ 82,968
Certificates of deposit	122,230	122,134
Equities	1,568,456	-
Equity funds	4,120,141	1,201,336
Fixed income funds	<u>2,202,428</u>	<u>817,143</u>
	<u>\$ 13,038,172</u>	<u>\$ 2,223,581</u>

NOTE 7 - FAIR VALUE MEASUREMENTS

The following table sets forth the Food Bank's major categories of assets measured at fair value on a recurring basis, by level within the fair value hierarchy, as of June 30:

	<u>2021</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments:				
Equities:				
U.S. equities	\$ 1,568,456	\$ 1,568,456	\$ -	\$ -
Equity funds:				
Exchange traded funds	1,403,873	1,403,873	-	-
International equity	<u>2,716,268</u>	<u>2,716,268</u>	<u>-</u>	<u>-</u>
	<u>4,120,141</u>	<u>4,120,141</u>	<u>-</u>	<u>-</u>
Fixed income:				
Short-term bond	998,302	998,302	-	-
Global fixed income	<u>1,204,126</u>	<u>1,204,126</u>	<u>-</u>	<u>-</u>
	<u>2,202,428</u>	<u>2,202,428</u>	<u>-</u>	<u>-</u>
Total investments at fair value	7,891,025	7,891,025	-	-
Inventories:				
Commodities	2,713,436	-	2,713,436	-
Donated inventory	<u>2,121,819</u>	<u>-</u>	<u>2,121,819</u>	<u>-</u>
Total	<u>\$ 12,726,280</u>	<u>\$ 7,891,025</u>	<u>\$ 4,835,255</u>	<u>\$ -</u>

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 7 - FAIR VALUE MEASUREMENTS (CONTINUED)

	2020			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments:				
Equity funds:				
Large value	\$ 727,554	\$ 727,554	\$ -	\$ -
Small cap	85,908	85,908	-	-
International	<u>387,874</u>	<u>387,874</u>	-	-
Total equity funds	1,201,336	1,201,336	-	-
Taxable bond funds:				
Intermediate term	<u>817,143</u>	<u>817,143</u>	-	-
Total investments at fair value	2,018,479	2,018,479	-	-
Donated inventory	<u>2,514,274</u>	-	2,514,274	-
Total	<u>\$ 4,532,753</u>	<u>\$ 2,018,479</u>	<u>\$ 2,514,274</u>	<u>\$ -</u>

NOTE 8 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2021</u>	<u>2020</u>
Land	\$ 1,414,586	\$ 1,414,586
Building and improvements	18,945,879	18,725,975
Office and warehouse furniture and equipment	4,339,035	4,124,127
Transportation equipment	2,027,375	1,894,799
Cook/chill equipment	<u>721,974</u>	<u>721,974</u>
	27,448,849	26,881,461
Less accumulated depreciation	<u>9,250,601</u>	<u>8,022,531</u>
	<u>\$ 18,198,248</u>	<u>\$ 18,858,930</u>

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 9 - LINES OF CREDIT

The Food Bank has a \$2,500,000 line of credit to a financial institution, subject to a borrowing base calculated on eligible accounts and inventory. The line has been extended through June 2022. It is management's intent to extend or renew the line of credit upon maturity. Interest is payable monthly at a rate of one-month LIBOR plus 1.50% (1.5855% at June 30, 2021) and had no outstanding balance at June 30, 2021 or 2020.

The Food Bank also had a \$5,500,000 line of credit agreement for capital improvements requiring monthly interest-only payments at a rate of 5.05% per year through September 11, 2024 at which time all outstanding principal and interest are due. The agreement was subject to certain financial covenants and is secured by a second deed of trust on the Nashville facility, and was paid in full during the fiscal year ended June 30, 2020.

NOTE 10 - LONG TERM DEBT

Notes payable consisted of the following at June 30:

	<u>2021</u>	<u>2020</u>
\$2,200,000 USDA Rural Development Loan requiring interest only payments of 3.5% through June 11, 2020. Beginning July 11, 2020 the loan requires principal and interest payments of \$8,734. The loan matures on June 11, 2058.	\$ 2,007,294 ⁽¹⁾	\$ 2,042,508
\$700,000 USDA Rural Development Loan requiring interest only payments of 3.5% through June 11, 2020. Beginning July 11, 2020 the loan requires principal and interest payments of \$2,779. The loan matures on June 11, 2058.	691,006 ⁽¹⁾	699,796
\$1,572,000 Paycheck Protection Program Loan requiring monthly principal and interest payments beginning after the ten-month forgiveness application period expires. The loan was forgiven on May 12, 2021.	<u>-</u>	<u>1,572,100</u>
Total long-term debt	<u>\$ 2,698,300</u>	<u>\$ 4,314,404</u>

(1) The USDA loans are collectively secured by property in Camden, Tennessee and Nashville, Tennessee with carrying values totaling \$6,579.646 (building only) at June 30, 2021.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 10 - LONG TERM DEBT (CONTINUED)

Total interest expense incurred by the Food Bank amounted to \$93,507 and \$180,443 during years ended June 30, 2021 and 2020, respectively. Interest expense is included in office and administration expense in the Statements of Functional Expenses.

Maturities on the notes payable at June 30, 2021 are as follows:

For the year ending June 30:

2022	\$ 43,934
2023	45,497
2024	47,115
2025	48,790
2026	50,526
Thereafter	<u>2,462,438</u>
	<u>\$ 2,698,300</u>

NOTE 11 - LEASES

The Food Bank leases 86,000 square feet of warehouse space that houses its Rutherford County operations facility under a seventy-five-month non-cancelable lease which expires in June 2024. Rent expense is recognized on a straight-line basis over the term of the lease.

Future minimum lease payments required under the leases is as follows at June 30, 2021:

For year ended June 30:

2022	\$ 542,521
2023	553,498
2024	<u>564,749</u>
Total	<u>\$ 1,660,768</u>

Lease expense under these agreements and other cancellable or short-term leases amounted to \$553,625 and \$574,838 during years ended June 30, 2021 and 2020, respectively.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 12 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of June 30:

	<u>2021</u>	<u>2020</u>
<u>Net Assets with Time Restrictions</u>		
United Way of Middle Tennessee - contribution pledge for the following period for program grants	\$ 5,000	\$ 86,625
Other pledges for future years' operations	235,250	1,185,748
<u>Net assets with Purpose Restrictions</u>		
Donations for Children's programs (backpacks and summer feeding programs)	253,992	302,210
Donations for mobile pantries and agency equipment	687,268	660,808
Donations for emergency food box program	67,655	136,659
Donations for equipment purchases and other communities	298,086	114,261
	<u>\$ 1,547,251</u>	<u>\$ 2,486,311</u>

NOTE 13 - IN-KIND DONATIONS

Excluding donated food inventory items, other in-kind donations of goods and services recognized by the Food Bank as contributions revenue for the years ended June 30 are as follows:

	<u>2021</u>	<u>2020</u>
Special events goods and services	\$ 5,222	\$ -
Food supplies and distribution	11,373	157,991
Equipment and warehouse supplies	210	9,663
Office and administration:		
Marketing and promotional	8,950	671
Consulting services	212,555	-
Office supplies	37,266	27,013
Other	9,865	2,559
	<u>\$ 285,441</u>	<u>\$ 197,897</u>

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 14 - EMPLOYEE BENEFIT PLAN

The Food Bank sponsors a Section 403(b) defined contribution pension plan for the benefit of eligible employees. The plan provides for discretionary employee deferral contributions, as allowed under the Internal Revenue Code ("IRC"). In addition, the plan requires the Food Bank to contribute 5% of each participant's compensation, and to match 100% of employee deferral contributions up to 3% of their compensation. Total Food Bank contributions to the plan for the year ended June 30, 2021 amounted to \$469,227 (\$435,211 for 2020).

NOTE 15 - CONCENTRATIONS OF CREDIT RISK

The Food Bank maintains cash balances at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to statutory limits. The Food Bank's cash balance, from time to time, may exceed statutory limits. The Food Bank has not experienced any losses in such accounts and considers this to be a normal business risk.

Investments are subject to market risk, the risk inherent in a fluctuating market. The broker/dealer that is the custodian of the Food Bank's securities is covered by the Securities Investor Protection Corporation ("SIPC"), which provides protection to investors in certain circumstances such as fraud or failure of the institution. Coverage is limited to \$500,000, including up to \$250,000 in cash. The SIPC does not insure against market risk.

At June 30, 2021, pledges receivable from two donors amounted to \$325,000 or approximately 38% of total pledges receivable. At June 30, 2020, pledges receivable from two donors amounted to \$830,000, or approximately 31% of total pledges receivable.

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2021 AND 2020

NOTE 16 - RISKS AND UNCERTAINTIES

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus included restrictions on travel, quarantines in certain areas and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries including the geographical area in which the Food Bank operates. While it is unknown how long these conditions will last and what the complete financial effect will be to the Food Bank, the Food Bank’s leadership team continues to evaluate the evolving situation.

In response to the pandemic and throughout 2021, the Food Bank has and will continue to serve the community through the following measures:

- All three of the distribution centers remain open and the trucks are on the road to ensure food is delivered to their network of more than 460 partner agencies across our 46-county service area.
- The Food Bank has purchased additional food to support emergency food distributions. The Food Bank’s top priority is to increase the amount of food available to their network of 460 partner agencies. The agencies’ ability to impact hunger on the frontlines depends on the Food Bank’s ability to continue operations.
- The Food Bank has been working with school districts across their service area to ensure children were fed while schools are closed.
- The Food Bank has continued to work to register those eligible for SNAP to ensure that everyone who needs these benefits can access them.
- The Food Bank expanded the Emergency Food Box program - anyone who needs food and lives in Davidson or Wilson County could visit any of the locations to get a food box with 2-3 days of staple food items. Typically, there are income requirements to qualify for this program, but those have all been waived until further notice.

ADDITIONAL INFORMATION

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

EXPENDITURES OF FEDERAL AWARDS	FEDERAL CFDA NUMBER	GRANTOR'S NUMBER	GRANT PERIOD	GRANT AMOUNT	(ACCRUED) DEFERRED REVENUE 7/1/2020	7/1/20 - 6/30/21		(ACCRUED) DEFERRED REVENUE 6/30/2021	PASSED THROUGH TO SUBRECIPIENTS
						RECEIPTS	EXPENDITURES		
U.S. DEPARTMENT OF AGRICULTURE									
Passed Through Tennessee Department of Human Services									
Child and Adult Care Food Program (CACFP)	10.558	N/A	*	*	\$ -	\$ 35,609	\$ 35,609	\$ -	\$ -
Summer Food Service Program (SFSP)	10.559	N/A	5/1/20 - 9/30/20	*	(107,819)	149,780	41,961	-	-
Summer Food Service Program (SFSP)	10.559	N/A	5/1/21 - 9/30/21	*	-	-	49,066	(49,066)	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	10/1/19 - 6/30/20	\$ 36,357	(6,912)	6,912	-	-	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	7/1/20 - 9/30/20	\$ 12,119	-	6,671	6,671	-	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	10/1/20 - 6/30/21	\$ 29,860	-	12,761	22,408	(9,647)	-
Total - Tennessee Department of Human Services					(114,731)	211,733	155,715	(58,713)	-
Passed Through Tennessee Department of Agriculture									
Trade Mitigation Program - Administrative Costs	10.178		10/01/19 - 9/30/20	\$ 367,138	-	367,138	367,138	-	-
Emergency Food Assistance Program - Administrative Costs	10.568	GR-32501-00	10/01/19 - 9/30/20	\$ 800,000	(76,905)	654,905	578,000	-	-
Emergency Food Assistance Program - Administrative Costs	10.568	GR-32501-00	10/01/20 - 9/30/21	\$ 1,000,000	-	249,150	1,000,000	(750,850)	-
Emergency Food Assistance Program - Commodities	10.568	GR-32501-00	10/01/19 - 9/30/20	*	627,146	4,713,473	5,340,619	-	5,340,619
Emergency Food Assistance Program - Commodities	10.569	GR-32501-00	10/01/20 - 9/30/21	*	-	9,817,426	8,570,196	1,247,230	8,570,196
COVID - Emergency Food Assistance Program - Coronavirus Relief Fund Supplemental Funding Administrative Costs	10.568 - COVID		3/27/20 - 9/30/20	\$ 1,144,000	(824,815)	1,144,000	319,185	-	-
Total - Tennessee Department of Agriculture					(274,574)	16,946,092	16,175,138	496,380	13,910,815
Passed Through Tennessee Department of Health									
Commodity Supplemental Food Program (CSFP) Administrative Costs	10.565	GR-1960182	10/01/19 - 9/30/20	\$ 184,353	(36,056)	58,974	22,918	-	-
Commodity Supplemental Food Program (CSFP) Administrative Costs	10.565	GR-1960182	10/01/20 - 9/30/21	\$ 161,153	-	139,782	160,933	(21,151)	-
Commodity Supplemental Food Program (CSFP) Commodities	10.565	GR-1960182	10/01/19 - 9/30/20	*	151,372	630,023	781,395	-	-
Commodity Supplemental Food Program (CSFP) Commodities	10.565	GR-19060182	10/01/20 - 9/30/21	*	-	870,937	540,826	330,111	-
Total - Tennessee Department of Health					115,316	1,699,716	1,506,072	308,960	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE					(273,989)	18,857,541	17,836,925	746,627	13,910,815

(Continued on following page)

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	FEDERAL CFDA NUMBER	GRANTOR'S NUMBER	GRANT PERIOD	GRANT AMOUNT	(ACCRUED) DEFERRED REVENUE 7/1/2020	7/1/20 - 6/30/21		(ACCRUED) DEFERRED REVENUE 6/30/2021	PASSED THROUGH TO SUBRECIPIENTS
						RECEIPTS	EXPENDITURES		
U.S. DEPARTMENT OF THE TREASURY									
Passed Through the Metropolitan Government of Metropolitan Nashville and Davidson County, Tennessee									
Coronavirus Relief Fund	21.019 - COVID	L-4578	3/1/20 - 12/30/20	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -
Coronavirus Relief Fund	21.019 - COVID	L-4481	8/15/20 - 12/30/20	\$ 2,500,000	-	2,500,000	2,500,000	-	-
Total passed through the Metropolitan Government of Nashville and Davidson County, Tennessee					-	2,700,000	2,700,000	-	-
Passed Through the Tennessee Department of Agriculture									
Coronavirus Relief Fund (Coronavirus Agricultural and Forestry Business Fund)	21.019 - COVID		3/1/20 - 12/30/20	\$ 211,508	-	205,166	205,166	-	-
TOTAL U.S. DEPARTMENT OF THE TREASURY					-	2,905,166	2,905,166	-	-
DEPARTMENT OF HOMELAND SECURITY									
Passed Through United Way of Middle Tennessee:									
Emergency Management Food and Shelter Program	97.024	765200-002	1/1/20 - 5/31/21	\$ 46,504	-	46,504	46,504	-	-
Emergency Management Food and Shelter Program	97.024	765200-002	1/1/21 - 10/31/21	\$ 73,950	-	36,975	73,950	(36,975)	-
TOTAL DEPARTMENT OF HOMELAND SECURITY					-	83,479	120,454	(36,975)	-
TOTAL EXPENDITURES OF FEDERAL AWARDS					\$ (273,989)	\$ 21,846,186	\$ 20,862,545	\$ 709,652	\$ 13,910,815

* Not specified.

(1) Denotes a major program

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Second Harvest Food Bank of Middle Tennessee, Inc. (the "Food Bank") under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Food Bank, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Food Bank.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Food Bank has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - LOAN BALANCES

The outstanding balance on the Community Facilities Rural Development Loans at June 30, 2021 are as follows:

97-01	\$ 2,007,294
97-02	691,006
	<u>\$ 2,698,300</u>

Total Expenditures by CFDA Number (Cluster):

10.178	\$ 367,138
10.558	35,609
10.559	91,027
10.561	29,079
10.565, 10.568 & 10.569	17,314,072
21.019	2,905,166
97.024	<u>120,454</u>
	<u>\$ 20,862,545</u>

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED JUNE 30, 2021

	GRANTOR'S NUMBER	GRANT PERIOD	GRANT AMOUNT	(ACCRUED) DEFERRED REVENUE 7/1/2020	<u>7/1/20 - 6/30/21</u>		(ACCRUED) DEFERRED REVENUE 6/30/2021	PASSED THROUGH TO SUBRECIPIENTS
					RECEIPTS	EXPENDITURES		
EXPENDITURES OF STATE FINANCIAL ASSISTANCE								
TENNESSEE DEPARTMENT OF ENVIRONMENT & CONSERVATION								
Division of Solid Waste Management Organics Management Grant	2018-3681	1/5/2018 - 1/4/2023	\$ 1,098,091	\$ (188,406)	\$ 165,191	\$ 3,770	\$ (26,985)	\$ -
TOTAL TENNESSEE DEPARTMENT OF ENVIRONMENT & CONSERVATION				<u>(188,406)</u>	<u>165,191</u>	<u>3,770</u>	<u>(26,985)</u>	<u>-</u>
TENNESSEE DEPARTMENT OF EMERGENCY MANAGEMENT								
Tennessee Emergency Management Agency (TEMA) Commodities	*	4/14/2020 - 09/30/2021	*	<u>491,621</u>	<u>14,733,087</u>	<u>14,088,613</u>	<u>1,136,095</u>	<u>14,088,613</u>
TOTAL TENNESSEE DEPARTMENT OF EMERGENCY MANAGEMENT				<u>491,621</u>	<u>14,733,087</u>	<u>14,088,613</u>	<u>1,136,095</u>	<u>14,088,613</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE				<u>\$ 303,215</u>	<u>\$ 14,898,278</u>	<u>\$ 14,092,383</u>	<u>\$ 1,109,110</u>	<u>\$ 14,088,613</u>

* Not specified.

(1) Denotes a major program

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance (the "Schedule") includes the state award activity of Second Harvest Food Bank of Middle Tennessee, Inc. (the "Food Bank") under programs of the State of Tennessee for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of the State of Tennessee *Audit Manual*. Because the Schedule presents only a selected portion of the operations of the Food Bank, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Food Bank.

OTHER REPORTS

INDEPENDENT AUDITOR’S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Second Harvest Food Bank of Middle Tennessee, Inc.
Nashville, Tennessee

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Second Harvest Food Bank of Middle Tennessee, Inc. (the “Food Bank”), a Tennessee not-for-profit corporation, which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Food Bank’s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Food Bank’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Food Bank’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Food Bank's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Food Bank's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kraft CPAs PLLC

Nashville, Tennessee
December 22, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Board of Directors
Second Harvest Food Bank of Middle Tennessee, Inc.
Nashville, Tennessee

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited Second Harvest Food Bank of Middle Tennessee, Inc.'s (the "Food Bank") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Food Bank's major federal programs for the year ended June 30, 2021. The Food Bank's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of the Food Bank's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulation* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Food Bank's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Food Bank's compliance.

OPINION ON EACH MAJOR FEDERAL PROGRAM

In our opinion, Second Harvest Food Bank of Middle Tennessee, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the Food Bank is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Food Bank's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Food Bank's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Nashville, Tennessee
December 22, 2021

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ yes X no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

10.565, 10.568 and 10.569
21.019

Food Distribution Cluster (including supplemental COVID funding)
Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2021

Part II - Financial Statement Findings

There were no audit findings in the prior year or current year.

Internal Revenue Service

Date: July 31, 2006

SECOND HARVEST FOOD BANK OF
MIDDLE TENNESSEE INC
% ANGELA BONOVICH
331 GREAT CIRCLE RD
NASHVILLE TN 37228-1703 313

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:

Cheryl Skaggs 31-04010
Correspondence Specialist/Screeners

Toll Free Telephone Number:

877-829-5500

Federal Identification Number:

62-1049447

Dear Sir or Madam:

This is in response to your request of July 31, 2006, regarding your organization's tax-exempt status.

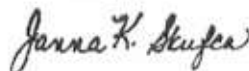
In May 1979 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Janna K. Skufca, Director, TE/GE
Customer Account Services

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
January 6, 2022

615-741-2555
Tom.Riley@tn.gov

Nancy K. Keil
Second Harvest Food Bank of Middle Tennessee, Inc.
331 Great Circle Road
Nashville, TN 37228

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Second Harvest Food Bank of Middle Tennessee, Inc. - CO287
Registration Expiration Date: **December 31, 2022**

Dear Nancy K. Keil:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been approved.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS Form 990, Form 990EZ, or 990N for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

JC:CO287



Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.**

General Information

SOS Control # 000048768
Filing Type: Nonprofit Corporation - Domestic
02/28/1978 4:30 PM
Status: Active
Duration Term: Perpetual
Public/Mutual Benefit: Public
Formation Locale: TENNESSEE
Date Formed: 02/28/1978
Fiscal Year Close 6

Registered Agent Address

NANCY KEIL
331 GREAT CIRCLE RD
NASHVILLE, TN 37228-1703

Principal Address

331 GREAT CIRCLE RD
NASHVILLE, TN 37228-1703

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
09/27/2021	2021 Annual Report	B1098-7236
09/17/2020	2020 Annual Report	B0923-4469
10/03/2019	Articles/Statement of Correction	B0759-8608
09/23/2019	2019 Annual Report	B0761-2332
Registered Agent First Name Changed From: JAYNEE To: NANCY		
Registered Agent Last Name Changed From: DAY To: KEIL		
09/24/2018	2018 Annual Report	B0598-9664
09/25/2017	2017 Annual Report	B0443-6230
09/27/2016	2016 Annual Report	B0300-2695
09/28/2015	2015 Annual Report	B0156-2121
09/18/2014	2014 Annual Report	B0002-4670
07/05/2013	2013 Annual Report	A0191-1955
06/22/2012	2012 Annual Report	7067-2234
Principal Postal Code Changed From: 37228 To: 37228-1703		
11/30/2011	2011 Annual Report	6962-1257

Registered Agent First Name Changed From: Mimi To: Jaynee

Registered Agent Last Name Changed From: Vaughn To: Day

3/21/2022 3:34:26 PM

Filing Information

Name: **SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.**

08/18/2010 2010 Annual Report	A0045-2313
Registered Agent First Name Changed From: BARBARA To: Mimi	
Registered Agent Last Name Changed From: TURNER To: Vaughn	
Registered Agent Physical Address 1 Changed From: 5021 HL PL To: 331 Great Circle Road	
Registered Agent Physical Address 2 Changed From: DR To: No Value	
Registered Agent Physical Postal Code Changed From: 372050000 To: 37228	
10/01/2009 2009 Annual Report	6608-0299
09/29/2008 2008 Annual Report	6383-1108
Registered Agent Physical Address Changed	
Registered Agent Changed	
09/07/2007 2007 Annual Report	6125-0727
Registered Agent Physical Address Changed	
Registered Agent Changed	
09/06/2006 2006 Annual Report	5856-2321
Registered Agent Physical Address Changed	
Registered Agent Changed	
Mail Address Changed	
09/28/2005 2005 Annual Report	5571-1178
Registered Agent Physical Address Changed	
Registered Agent Changed	
09/14/2004 2004 Annual Report	5233-1430
Registered Agent Physical Address Changed	
Registered Agent Changed	
09/19/2003 2003 Annual Report	4912-1190
Registered Agent Physical Address Changed	
Registered Agent Changed	
09/16/2002 2002 Annual Report	4596-1215
Principal Address Changed	
Registered Agent Physical Address Changed	
Registered Agent Changed	
10/01/2001 2001 Annual Report	4310-0915
Registered Agent Physical Address Changed	
Registered Agent Changed	
12/12/2000 Articles of Amendment	4056-2477
Name Changed	
Registered Agent Physical Address Changed	
09/26/2000 2000 Annual Report	4008-0969

3/21/2022 3:34:26 PM

Filing Information

Name: **SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.**

09/21/1999	CMS Annual Report Update	3746-0157
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
03/31/1999	Common Amendment	3667-2104
03/26/1999	CMS Annual Report Update	3656-0654
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
03/19/1999	Dissolution/Revocation - Administrative	ROLL 3651
12/18/1998	Notice of Determination	ROLL 3598
10/16/1997	CMS Annual Report Update	3399-1242
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
07/02/1996	CMS Annual Report Update	3189-2727
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
07/25/1995	CMS Annual Report Update	3035-0602
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
07/26/1994	CMS Annual Report Update	2872-2223
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
07/13/1993	CMS Annual Report Update	2712-0959
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
07/22/1992	CMS Annual Report Update	2510-1235
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
	Fiscal Year Close Changed	
08/18/1989	Notice of Determination	ROLL 1415
06/07/1985	Articles of Amendment	547 02245
	Principal Address Changed	
04/18/1985	Application for Reinstatement	538 00758
03/29/1985	Registered Agent Change (by Agent)	534 00841
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
01/11/1985	Dissolution/Revocation - Administrative	516 00374

Filing Information

Name: **SECOND HARVEST FOOD BANK OF MIDDLE TENNESSEE, INC.**

09/25/1980 Articles of Amendment

178 00451

Name Changed

Principal Address Changed

05/09/1979 Articles of Amendment

076 00809

02/28/1978 Initial Filing

011-01360

Active Assumed Names (if any)

Date

Expires



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Signature of (CEO/President/Executive Director/Board Chair)

Date

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Sister Cities of Franklin and Williamson County, Tennessee, Inc.

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

We organize and hold the Celebration of Nations which highlights the diverse arts, crafts and/or food in Williamson County and Middle Tennessee. We arrange/provide the Great Pumpkin for Pumpkifest. We liaise regularly with Franklin's/Williamson County's Sister Cities in Carlton Place, Canada; County Laois, Ireland; and Bad Soden, Germany. We are evaluating whether to re-launch our periodic Passport Series, which was put on hiatus due to COVID.

During fiscal 2023, we anticipate helping host late September/early October the first time visit of the current Bad Soden Mayor, his team and representative Bad Soden citizens. After the New Year, we expect to organize and receive a Humboldt Exhibit to be displayed at the County Archives or similar venue for the benefit of school children, citizens and visitors to Franklin and Williamson County.

We expect the incremental cost of these two activities to approximate \$26,081 (please see attached exhibits). We estimate the cost of the delegation visit will be \$13,081. We estimate the cost of the Humboldt Exhibit will be \$13,000 (partitions of \$10,000 and marketing/promotion costs of \$3,000).

For our annual, recurring request we request \$6,500, an increase of \$1,000, over FY 2021-2022, reflecting expected inflation and incremental costs to reacquire citizen membership and begin exploring the addition of a fourth Sister City.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

1. Hosting the Bad Soden mayoral visit and events, including a Bad Soden proposed October 3, 2022 German Reunification celebration.
2. Assisting with the hosting of the Humboldt Exhibit.
3. Begin evaluation of adding a fourth Sister City, considering the Southern Hemisphere.
4. Support of the 2022 Celebration of Nations, to occur during the visit of the Bad Soden delegation.
5. Planning the re-launch of student and/or adult exchanges.
6. General operating expenses (insurance, website, annual Sister Cities International membership fee, PO Box, etc.).
7. Evaluate the re-launch of the historic Passport Series.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☒ monthly ☐ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☐ Yes ☒ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Jason Collins	03/18/2022
----------------------	-------------------

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

3/18/22

Date



**Annual Reporting Form for Nonprofit Organizations
Seeking Financial Assistance from Local Governments**

Sister Cities of Franklin and Williamson County, Tennessee, Inc.

Name of Nonprofit Organization

309 Haddon Ct.	Franklin	Williamson		37067
Street Address	City	County	State	Zip

Annual Financial Report of Cash Receipts, Disbursements, and Balances

For the Fiscal Year from July 1, 2020 **through** June 30, 2021

Report Required by Title 5, Chapter 9, Part 1,
And Title 6, Chapter 54, Part 1, *Tennessee Code Annotated*

Receipts

Federal Grants	\$	
State Grants		
Financial Assistance from Local Governments	4,950.00	
Donations and Gifts from Citizens	8,625.98	
Membership Dues	375.00	
Fees/Charges for Services		
Fundraising Events		
Sale of Assets		
Loans-Borrowed Funds		
Investment Income		
Other Receipts		
Total Receipts	\$	13,950.98 (A)

Disbursements

Grants and Other Assistance Paid to Other Organizations and Individuals	\$250.00
Salaries and Wages	
Employee Benefits	
Payroll Taxes	
Fees for Services (non-employee)	1,008.17
Advertising and Promotion	
Office Expenses	148.00
Leases/Rentals	1,500.00
Maintenance and Repairs	
Supplies	
Travel	

Utilities	_____	
Insurance	<u>1,672.00</u>	
Conferences, Conventions and Meetings	_____	
Interest	_____	
Purchase of Capital Assets – Vehicles and Equipment	_____	
Purchase of capital Assets – Property and Buildings	_____	
Loan Payments	_____	
Other	<u>1,422.96</u>	
Total Disbursements		\$ <u>6,001.13</u> (B)

Cash Receipts Less Disbursements for the fiscal Year (A-B=C) \$ 7,949.85 (C)

Cash Balance - at the beginning of the fiscal year \$ 12,104.45 (D)

Cash Balance - at the end of the fiscal year (C+D=E) \$ 20,054.30 (E)

Details of Cash Balance - at the end of the fiscal year

Cash on Hand	\$ _____	
Cash in Bank – Checking	<u>20,054.30</u>	
Cash in Bank – Savings Accounts	_____	
Cash in Bank – Certificates of Deposits	_____	
Other Cash	_____	
Total Cash - at the end of the fiscal year		\$ <u>20,054.30</u> (E)

Please Explain Proposed Use of the Financial Assistance from Local Governments.

Please see the response to Question 3. (Work Plan) above.

As of March 7, 2022, we have \$32,395.53 in the bank. We anticipate the hosting of the Bad Soden mayoral visit, with delegation, and the Humboldt Exhibit, may exhaust our financial resources, without additional City or third party support.

I certify that this report accurately presents the cash receipts, disbursements, and balances of the
 Sister Cities of Franklin and Williamson County, Tennessee, Inc. **for the fiscal year noted above.**

Name of Nonprofit Organization

Person Preparing Report

Frank David Haas

Printed Name

Frank David Haas
Signature

Phone Number 614-313-7103

Email Address fhaas48102@aol.com

Date 03/18/2022



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Sister Cities of Franklin and Williamson County, Tennessee, Inc.

Attachments:

- ☐ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☒ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded **AND** the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☒ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



SISTCIT-03

NWALSH

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/18/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Cincinnati Insurance Company Cincinnati Customer Care Center P.O. Box 145496 Cincinnati, OH 45250-5496	CONTACT Natalie Walsh	
	PHONE (A/C, No, Ext): (877) 687-1291	FAX (A/C, No): (513) 881-8114
	E-MAIL ADDRESS: CincinnatiCerts@cinfin.com	
INSURED SISTER CITIES OF FRANKLIN INC PO BOX 977 FRANKLIN, TN 37065-0977	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Cincinnati Insurance Company	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	
	NAIC # 10677	

COVERAGES	CERTIFICATE NUMBER:	REVISION NUMBER:
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.		

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☒ PRO-JECT ☒ LOC OTHER:			ENP 0570177	3/12/2021	3/12/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY ☐ ANY AUTO OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED ☐ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER City of Franklin City Hall 109 Third Ave S Franklin, TN 37064	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Natalie Walsh</i>
---	---

Sister Cities of Franklin and Williamson County, Tennessee, Inc
Board of Directors
As of March 18, 2022

Name	Occupation	Address	Phone Number	Email Address	Years on Board	Length of Terms
Jason Collins, President	Small Business Owner	3112 Winberry Dr, Franklin TN 37064	615-887-1216	jason12780@yahoo.com	2	2
Summer Sheldon, Vice President	Small Business Owner	1404 Skye Valley Ln, Franklin TN 37064	615-390-3998	sturvvy@hotmail.com	9	2
Frank David Haas, Treasurer	Retired CPA	309 Haddon Ct, Franklin TN 37067	614-313-7103	fhass48102@aol.com	4	2
Roger Walters	Talent Management Advisor	119 Lewisburg Ave, Franklin TN 37064	281-536-2411	murford@msn.com	2	2
Matthew Brown	BOMA - Alderman	821 Walden Drive, Franklin TN 37064	615-651-4757	Matt.Brown@franklntn.gov	1	2
Kim Cannon	Professional Volunteer	7129 Tullamore Ln, Franklin TN 37067	630-248-3887	kimandrichc@gmail.com	4	2
Gabrielle Hanson	Real Estate Broker	5085 Donovan St, Franklin TN 37064	615-946-4200	g@williamsoncorealestate.com	2	2
Dr. Porsha L. Hart	CEO, Consultant	8000 Archdale Dr. #8204, Franklin TN 37064	501-744-2099	porshahart@gmail.com	1	2
Patricia Kriebel	Professional Volunteer	104 Poteat Pl, Franklin TN 37064	615-202-7431	pgkriebel@gmail.com	4	2
Victor Pausin	Financial Officer	305 Foxborough Sq., Brentwood TN 37027	615-573-9441	Victor.Pausin@nissan-usa.com	1	2
Melissa Reierson (City of Franklin)	Communications Manager	109 #rd Avenue South, Franklin TN 37064	615-791-3217	Melissa.Reierson@franklntn.gov	1	2
Doug Sharp	Architect	306 Addison Ave, Franklin TN 37064	615-969-2833	doug.sharp@comcast.com	20	2
Cheryl Wilson (County Representative)	Retired	5175 Murfreesboro Rd, College Grove TN 37046	615-347-5476	cwilson@wilsonpc.com	14	2

We have two open seats we are seeking to fill.



07952983

**Tennessee Corporation Annual Report Form**File online at: <https://TNBear.TN.gov/>

AR Filing #: 07952983

FILED: Jan 16, 2022 7:41PM

Due on/Before: 04/01/2022

Reporting Year: 2021

Annual Report Filing Fee Due:

\$20 if no changes are made in block 3 to the registered agent/office, or
\$40 if any changes are made in block 3 to the registered agent/office

This Annual Report has been successfully
paid for and filed. Please keep this report for
your records.

Payment-Credit Card - State Payment
Center - CC #: 3821844627

SOS Control Number: 423163

Nonprofit Corporation - Domestic

Date Formed: 03/08/2002

Formation Locale: TENNESSEE

(1) Name and Mailing Address:

SISTER CITIES OF FRANKLIN AND WILLIAMSON COUNTY,
PO BOX 977
FRANKLIN, TN 37065-0977

(2) Principal Office Address:

309 HADDON CT
FRANKLIN, TN 37067-6242

(3) Registered Agent (RA) and Registered Office (RO) Address:

FRANK DAVID HAAS
309 HADDON CT
FRANKLIN, TN 37067-6242

Agent Changed: No

Agent County: WILLIAMSON COUNTY

(4) Name and business address (with zip code) of the President, Secretary and other principal officers.

Title	Name	Business Address	City, State, Zip
Secretary	Roger Walters	119 LEWISBURG AVE.	FRANKLIN, TENNESSEE (TN)
President	Jason Collins	3112 WINBERRY DR.	FRANKLIN, TENNESSEE 37064
Vice-President	Summer Sheldon	1404 SKYE VALLEY LN	FRANKLIN, TENNESSEE 37064
Treasurer	Frank D Haas	309 HADDON CT	FRANKLIN, TENNESSEE 37067

(5) Board of Directors names and business address (with zip code). _____ None, or listed below.

Name	Business Address	City, State, Zip
Matt Brown	821 WALDEN DRIVE	FRANKLIN, TN 37064
Porsha Hart	8000 ARCHDALE DR 8204	FRANKLIN, TN 37064
Millissa Reiersen	109 THIRD AV S	FRANKLIN, TN 37064
Victor Pausin	305 FOXBOROUGH SQ W	BRENTWOOD, TN 37027
Roger Walters	119 LEWISBURG AVE	FRANKLIN, TN 37064
Jason Collins	3112 WINBERRY DR	FRANKLIN, TN 37064
Gabrielle Hanson	5085 DONOVAN ST	FRANKLIN, TN 37064
Patricia Kriebel	104 POTEAT PL	FRANKLIN, TN 37064
Frank D Haas	309 HADDON CT	FRANKLIN, TN 37067
Cheryl Wilson	5175 MURFREESBORO RD	COLLEGE GROVE, TN 37046
Doug Sharp	306 ADDISON AVENUE	FRANKLIN, TN 37064
Summer Sheldon	1404 SKYE VALLEY LANE	FRANKLIN, TENNESSEE (TN) 37064
Kim Cannon	7129 TULLAMORE LANE	FRANKLIN, TN 37067

(6) This section applies to non-profit corporations ONLY.

A. Our records reflect that your non-profit corporation is a public benefit or a mutual benefit corporation as indicated.

If blank or incorrect, please check appropriately: X Public Mutual

B. If a Tennessee religious corporation, please check here if blank: Religious



Tennessee Corporation Annual Report Form

File online at: <https://TNBear.TN.gov/>

Due on/Before: 04/01/2022

Reporting Year: 2021

AR Filing #: 07952983

FILED: Jan 16, 2022 7:41PM

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\$20 if no changes are made in block 3 to the registered agent/office, or

\$40 if any changes are made in block 3 to the registered agent/office

This Annual Report has been successfully paid for and filed. Please keep this report for your records.

Payment-Credit Card - State Payment Center - CC #: 3821844627

(7) Signature: Electronic

(8) Date: 01/16/2022

(9) Type/Print Name: Frank D Haas

(10) Title: Treasurer

B1145-7465 01/16/2022 7:41 PM Received by Tennessee Secretary of State Tre Hargett



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
PO Box 2508
Cincinnati, OH 45201

SISTER CITIES OF FRANKLIN AND
WILLIAMSON COUNTY TENNESSEE INC
% SHARON BOTTORFF
PO BOX 977
FRANKLIN, TN 37065

Date:
January 19, 2022
Employer ID number:
94-3425537
Form 990 required:
990, YES
Person to contact:
Name: J. SHERMAN
ID number: 0195277

Dear Sir or Madam:

We're responding to your request dated March 11, 2021, about your tax-exempt status.

We issued you a determination letter in September 2002, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax-deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period.

- ▼ Form 990, Return of Organization Exempt From Income Tax
- ▼ Form 990-EZ, Short Form Return of Organization Exempt From Income Tax
- ▼ Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990EZ
- ▼ Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248164862
May 29, 2009 LTR 4168C E0
94-3425537 000000 00 000
00016695
BODC: TE

SISTER CITIES OF FRANKLIN TENNESSEE
INC
109 THIRD AVE S
FRANKLIN TN 37064-2519

Employer Identification Number: 94-3425537
Person to Contact: Miss Campbell
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of May 19, 2009, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in September 2002, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Requests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Michele M. Sullivan

Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
December 22, 2021

615-741-2555
Tom.Riley@tn.gov

F. David Haas
Sister Cities of Franklin and Williamson County, Tennessee, Inc.
309 Haddon Ct
Franklin, TN 37067

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Sister Cities of Franklin and Williamson County, Tennessee, Inc. - CO9926
Registration Expiration Date: **December 31, 2022**

Dear F. David Haas:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been approved.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS *Form 990*, *Form 990EZ*, or *990N* for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

JK:CO9926

Bad Soden Delegation Visit
September 30 to October 9, 2022
Estimated Costs

Assumptions:

- 4 Officials
- 1 Administrator
- 2 Family members of an official
- Harpeth Hotel \$304 per night plus taxes
- McEwen Northside SpringHill Suites \$125 per night plus taxes for 10 days (Government rate)
- JD Taste of Lynchburg \$125 per
- Carnton/Carter House Tour \$30 per
- Discover Nashville City Tour \$100 per
- Celebration of Nations \$50 per
- Cars approx \$700 per for ten days
- Welcome Dinner \$125 per head (Harpeth Hotel)
- Closing Dinner at \$50 per head

Estimated Costs	Dollars	Comments
Hotel	7361	McEwen Northside SpringHill Suites
Transportation	1400	2 at \$700
Welcome Dinner	1500	12 at \$125
Closing Dinner	600	12 at \$50
Jack Daniels Tour	1000	8 at \$125
Carnton/Carter House	240	8 at \$30
Celebration of Nations	0	Comp
Rotary/Lion's Club Meals	150	15 at \$10
Ride along	0	
Fire Department Tour	0	
Art Crawl	0	
High School Football Game	30	3 at \$10
Tour of Nashville/Capital	800	8 at \$100
State Park	0	Radnor Lake
Center for Sustainable Stewardship	0	
Tour of Franklin	0	Trolley rental plus guide cost (TBD)
Best estimate as of March 18, 2022		
	<u>13081</u>	

Humboldt Exhibit
Sister Cities of Franklin and Williamson County
Partitions
July of 2021

Description	Number	Unit		Extended	
		Price			
4' by 8' by 1/2" Drywall	8	16.48		131.84	ToughRock 1/2" by 8' by 8'
4 caster wheels	4	15.99		63.96	TSC - Waxman Titan 4 in. TPR Rubber Plate Caster with Brake, 250 lb capacity
Bracing wood 2" by 3" by 8'	15	4.98		74.7	HD -Select Framing Stud
Screws and hardware	1	31.98		31.98	HD - 750 pack
Primer (gal)	0.5	57		28.5	HD - KILZ PVA 5 gal (assume need half for one partition)
Paint (gal)	0.5	75		37.5	HD - Glidden Essentials 5 gal Morning Daylight Eggshell Interior Paint (assume need half for one partition)
Drywall mudand tape (gal)	1	15.48		15.48	USG Sheetrock 4.5 gal All Purpose Ready - Mixed Joint Compound
Drywall tape	1	2.37		2.37	USG Sheetrock 2 1/16" x 250'
Ballpark Material Cost Estimate				386.33	Per Partition
Labor Estimate per Partition	12	40		480	
Teardown/Reassembly/Teardown	3	40		120	
Estimated Total Cost per Partition				1000	
Estimated cost of 8 Partitions				8000	Use \$10,000

Assumptions:

- 1) Assume each partion will be 8' by 6.5' by 1/2". They will be stacked two high (after one is cut). There will be a front and a back with edges and interior framing.
- 2) There will be full panel end pieces cut to the appropriate height. There will be a front and a back with edges and interior framing.
- 3) Lug bolts will be used to attach the end pieces to the main panel to facilitate transportation. The partition will be assembled at the Archives.
- 4) How many casters will be needed per partition - 4, with a 250 lb rating each should be sufficient.
- 5) if ultimately there are eight partitions, how much paint, primer, mud tape will be needed? Unsure but potential savings due to bulk bying.
- 6) We will need likely two sizes of screws which can be bought in bulk if cost effective.



Government Funding Request Form – Fiscal Year 2022-2023

Application for Government Programs Operating within the City of Franklin
Submission Deadline: March 21, 2022

Agency Name: Tennessee Rehabilitation Center at Franklin (TEN076)

(List agency name as it appears on the Secretary of State website)

Physical Address: 203 Beasley Drive #B, Franklin, TN 37064

Payment Address: Department of Human Services, DHS Cashier, 505 Deaderick Street, 16th Floor, Nashville, TN 37243

Tax ID: 62-0718039

Application Contact: Petra Wade

Name

Petra.Wade@tn.gov

Email

615-595-2073

Phone

Total amount of City of Franklin funds being requested for FY2022-2023 \$20,853.00

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Attachments (all attachments are required unless otherwise noted):

- ☐ Annual Audit for the last fiscal year you have concluded
- ☐ City of Franklin Vendor Information form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☐ Signed statement on entity letterhead providing a brief description of the program that serves the City of Franklin residents and the proposed use of the funding being requested.



Government Funding Request Form – Fiscal Year 2022-2023, cont.

Agency: Tennessee Rehabilitation Center at Franklin (TEN076)

Petra Wade

02/15/2022

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Petra Wade

02/15/2022

Signature of (CEO/President/Executive Director/Board Chair)

Date

*Unless contractually negotiated otherwise, any funding approved by the Board of Mayor Alderman will be distributed on an even quarterly basis. Submission of this form is not a guarantee of funding. All funds authorized are done by authority extended by the State and the City's local charter. Approved funding may result in a contract and this form will become an integral part of that contract.



STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES

JAMES K. POLK BUILDING 505 DEADERICK STREET NASHVILLE, TENNESSEE 37243-1403

TELEPHONE: 615-313-4700 FAX: 615-741-4165

TTY: 1-800-270-1349 www.tn.gov/humanservices

BILL LEE
GOVERNOR

CLARENCE H. CARTER
COMMISSIONER

February 16, 2022

Funds allocated by the City of Franklin to the Tennessee Rehabilitation Center at Franklin will be used to cover the administrative operational cost associated with providing no cost services in the form of community-based training services for individuals in Franklin with significant disabilities who are interested in obtaining training and employment. Once center-based traditional vocational rehabilitation services like vocational evaluation, career assessment, and vocational adjustment training have been transformed into community-based services to support individuals on their employment path. Under the new service delivery framework - Road to Independence, Success, and Employment (RISE) - the centers have become community-based vocational rehabilitation services provided in the local community with the support of the local community. Under RISE, customers have access to core vocational rehabilitation services that prepare and support them in going to work.

Number of Active Participants in Organization: 114 Williamson County customers are being served with training and employment services. 328 Williamson County school students are receiving pre-employment transition skills services.

Community-Based Training Services

- a) Discovery
- b) Community Access and Inclusion
- c) Emergency Preparedness
- d) Career Exploration
- e) Pre-Vocational Placement
- f) Onboarding
- g) Job Shadowing
- h) Job Coaching
- i) Job Retention

Pre-Employment Transition Services for students aged 14-22

- a) Career exploration
- b) Post-secondary counseling
- c) Self-Advocacy
- d) Work based learning
- e) Job Readiness

Post-Secondary Training

- a) Disability Disclosure in a Post-Secondary Setting
- b) Getting to Know Vocational Rehabilitation
- c) Tools for Educational Success
- d) Taking Charge of Your Health and Wellness
- e) Getting to Know Your School
- f) PSE Portfolio
- g) Preparing for Post-Secondary Education
- h) Paying for Post-Secondary Education

Petra Wade

Petra Wade

Community TRC VR Career Training Coordinator



**STATE OF TENNESSEE
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BILL LEE
GOVERNOR

CLARENCE H. CARTER
COMMISSIONER

02/16/2022

Angelique Franzoni
City of Franklin
109 3rd Avenue South
Franklin, TN 37064

Dear Ms. Franzoni,

Community Tennessee Rehabilitation Center (CTRC) at Franklin asks for your assistance with funding in the amount of \$20,853.00 for the 2022-2023 State Fiscal Year. The local government has helped support the community TRC at Franklin for many years and we look forward to the continued partnership as we undergo a statewide transformation to better serve the citizens of Williamson County.

Once center-based traditional vocational rehabilitation services like vocational evaluation, career assessment, and vocational adjustment training have been transformed into community-based services to support individuals on their employment path. Under the new service delivery framework - Road to Independence, Success, and Employment (RISE) - the centers have become community-based vocational rehabilitation services provided in the local community with the support of the local community. Under RISE, customers have access to core vocational rehabilitation services that prepare and support them in going to work.

The funding provided by the City of Franklin will help with the operational costs of providing these services in the community and is matched using 30% local funds to draw 70% federal funds.

Sincerely,

Petra Wade
VR Career Training Coordinator



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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BILL LEE
GOVERNOR

CLARENCE H. CARTER
COMMISSIONER

MEMORANDUM

TO: Community Funding Partners

FROM: Kevin R. Wright, DRS Director of Operations

DATE: 2/16/2022

RE: Community Tennessee Rehabilitation Centers (cTRCs) Funding

Department of Human Services, Division of Rehabilitation Service Vocation Rehabilitation (VR) program appreciates your continued support and partnership with the Community Tennessee Rehabilitation Centers (cTRCs) as we help serve the local members of your community with disabilities find and obtain competitive, integrated employment with local business partners.

As we prepare for our official request for local funding support, we can provide a preliminary FY2023 budget only after the Governor provides the official recommended budget for the operation of the state.

The department has submitted a budget request for consideration; however, official recommended funding levels for the department are still unknown. As a result, we are unable to provide any potential funder with specific details beyond projections to complete funding applications until an official budget recommendation has been determined and submitted by the Governor. We realize that this may cause a delay in our submission and ask for your understanding with confidence that we will submit all funding request applications as soon as the information to do so is available.

Thank you again for your continued support for your local cTRC, businesses that provide employment opportunities, and those that we support.



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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BILL LEE

GOVERNOR

Clarence H. Carter

COMMISSIONER

PROPOSED BUDGET
Community Tennessee Rehabilitation Center
July 1, 2022 – June 30, 2023
City of Franklin

Acct	Description	Expenditures FY 2021	Preliminary Budget FY 2023
ALT	Total Payroll	85,717	51,150
70100	Salaries and Wages	54,518	36,729
70102	Longevity	1,500	0
70104	Overtime	0	0
70200	Employee Benefits	29,699	14,422
BLT	Total Operations	11,311	47,200
70300	Travel	298	3,028
70400	Printing and Duplicating	0	0
70500	Utilities and Fuel	753	3,585
70600	Communications	0	3
70700	Maint. & Repairs	(10,397)	2,057
70800	Prof Services Third Party	3,047	13,674
70900	Supplies and Materials	0	819
71000	Rentals and Insurance	5,196	10,000
71100	Motor Vehicle Operation	0	0
71200	Awards and Indemnities	0	0
71300	Grants and Subsidies	608	1,240
71400	Unclassified	0	0
71500	Inventory	0	0
71600	Equipment	0	0
71700	Land	0	0
71800	Buildings	0	0
72100	Training	0	0
72200	Data Processing	0	311
72500	Prof Services State Agency	11,808	12,483
	Grand Total	97,028	98,350
Acct			



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BILL LEE
GOVERNOR

Clarence H. Carter
COMMISSIONER

REQUEST SUMMARY

Community Tennessee Rehabilitation Center July 1, 2022 – June 30, 2023

Grand Total	\$98,350
Local Share	\$29,505

Vocational Rehabilitation Share (Federal)	\$68,845
Local Share	\$29,505

Request Amount	\$20,853



PERFORMANCE AUDIT REPORT

Department of Human Services

October 2021

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF STATE AUDIT

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comptroller.tn.gov/office-functions/state-audit.html

Mission Statement

The mission of the Comptroller's Office is
to make government work better.



JASON E. MUMPOWER
Comptroller

October 19, 2021

Comptroller Website
comptroller.tn.gov

The Honorable Randy McNally
Speaker of the Senate
The Honorable Cameron Sexton
Speaker of the House of Representatives
The Honorable Kerry Roberts, Chair
Senate Committee on Government Operations
The Honorable John D. Ragan, Chair
House Committee on Government Operations and
Members of the General Assembly
State Capitol
Nashville, Tennessee 37243 and
The Honorable Clarence H. Carter, Commissioner
Department of Human Services
505 Deaderick Street
Nashville, Tennessee 37243

Ladies and Gentlemen:

We have conducted a performance audit of selected programs and activities of the Department of Human Services for the period November 1, 2017, through June 30, 2021. This audit was conducted pursuant to the requirements of the Tennessee Governmental Entity Review Law, Section 4-29-111, *Tennessee Code Annotated*.

Our audit disclosed certain findings, which are detailed in the Audit Conclusions section of this report. Management of the Department of Human Services has responded to the audit findings; we have included the responses following each finding. We will follow up the audit to examine the application of the procedures instituted because of the audit findings.

KJS/sp
21/042

This report is intended to aid the Joint Government Operations Committee in its review to determine whether the Department of Human Services should be continued, restructured, or terminated.

Sincerely,



Division of State Audit

Department of Human Services

Performance Audit October
2021

A handwritten signature in black ink that reads "Katherine J. Stickel".

Katherine J. Stickel, CPA, CGFM, Director
Division of State Audit

Our mission is to make government work better.

AUDIT HIGHLIGHTS

Department of Human Services' Mission
*To build strong families by connecting
Tennesseans to employment, education and
support services.*

Audit Scope:
November 1, 2017, through June 30, 2021

Scheduled Termination Date:
June 30, 2022

INTRODUCTION

AUDIT AUTHORITY

This performance audit of the Department of Human Services was conducted pursuant to the Tennessee Governmental Entity Review Law, Title 4, Chapter 29, *Tennessee Code Annotated*. Under Section 4-29-243, the department is scheduled to terminate June 30, 2022. The Comptroller of the Treasury is authorized under Section 4-29-111 to conduct a limited program review audit of the agency and to report to the Joint Government Operations Committee of the General Assembly. This audit is intended to aid the committee in determining whether the department should be continued, restructured, or terminated.

BACKGROUND

Sections 4-3-101 and 4-3-1201, *Tennessee Code Annotated*, established the Department of Human Services (the department), to provide numerous services throughout Tennessee. The department's mission is "To build strong families by connecting Tennesseans to employment, education and support services," and it oversees the state's Child Support, Child Care Licensing, Child Care Assistance, Adult Protective Services, and Rehabilitation Services programs. The department also administers the state's Supplemental Nutrition Assistance Program as well as the Families First program, the state's Temporary Assistance for Needy Families program. Under state law, the Department of Human Services' responsibilities are to



- administer or supervise all functions of the federal Social Security Act in Tennessee that may be assigned to it by law, regulation, or executive order;
- cooperate with the federal government or its agencies or instrumentalities in establishing, extending, strengthening, or reforming services to assist persons and families in need of such services from the State of Tennessee;
- license or approve, and supervise, adult day care centers and child care agencies and promulgate any regulations necessary to carry out the licensing laws;
- restore persons receiving assistance or services from the department to a condition of self-support in the community, including providing foster care for adults who are unable to maintain an independent living arrangement, and such other services to those liable to become destitute or handicapped as will prevent their becoming or remaining public charges;
- study the causes of economic dependency or rehabilitative service requirements and promote efficient methods for assisting persons in need of such support or services;

- license blind persons to operate vending stands in state and county buildings in accordance with the Randolph-Sheppard Vending Stand Act of 1936;
- enforce the provisions of Title IV-D of the Social Security Act relative to child and spousal support and establishment of paternity and contract with public or private entities to provide any services necessary to carry out such provisions; and
- investigate the existence of trafficking in, or fraud involving, the food assistance program administered by the department; fraud, abuse, theft, misappropriation, or misuse of property, funds, or services by any person or entity in any program administered by the department; and misconduct by any employee, contractor, or agent of the department concerning or related to the operation of any department program or any laws, regulations, or policies governing the department's operations.

Audit Conclusions



Vocational Rehabilitation Program



VOCATIONAL REHABILITATION PROGRAM

General Background



The Department of Human Services' Division of Rehabilitation Services administers the statewide employment in the competitive labor market. Examples of VR goods and services include specialized work equipment, printers, laptops, headphones, computer software, Braille equipment, vehicle modifications, independent living services, and personal care assistance.

Tennessee's VR program is operated under a combined VR agency, which serves individuals with all types of disabilities under one agency, the Department of Human Services. Some states have more than one VR agency: one for individuals who are blind, which is referred to as a Blind VR agency; and one for all other individuals with disabilities, which is referred to as a General VR agency. See **Table 1** for the number of VR customers the division served during state fiscal years 2017 through 2020.

Vocational Rehabilitation (VR) program and partners with 157 Community Rehabilitation Providers¹ to provide individualized services and goods to assist individuals with disabilities. These services and goods help individuals prepare for, secure, and retain

Source: Division of Rehabilitation Services outreach material.

¹ Community Rehabilitation Providers offer unique employment services, such as job coaching and job readiness training, to VR customers.

The Division of Rehabilitation Services administers the VR program across 11 regions and employs 77 VR counselors to serve customers across the state. The VR program also operates 1 residential² and 17 nonresidential Tennessee Rehabilitation Centers (TRCs), which provide training for individuals in the VR program. See **Appendix 4** for the VR regional map; **Appendix 5** for a map of all TRC locations; **Appendix 6** for the number of VR counselors in each region as of March 1, 2021; and **Appendix 7** for the average caseload in each region from November 1, 2017, through January 31, 2021.

Table 1
Number of VR Customers the Division Served
State Fiscal Years 2017 Through 2020

State Fiscal Year	Number of Customers Served
2017	15,219
2018	14,337
2019	13,639
2020	12,972

Source: Division of Rehabilitation Services' TRIMS⁴ computer system.

² The Tennessee Rehabilitation Center in Smyrna is a training center that provides career and technical education to prepare individuals with disabilities for independence and employment. Individuals can live on the center's campus.

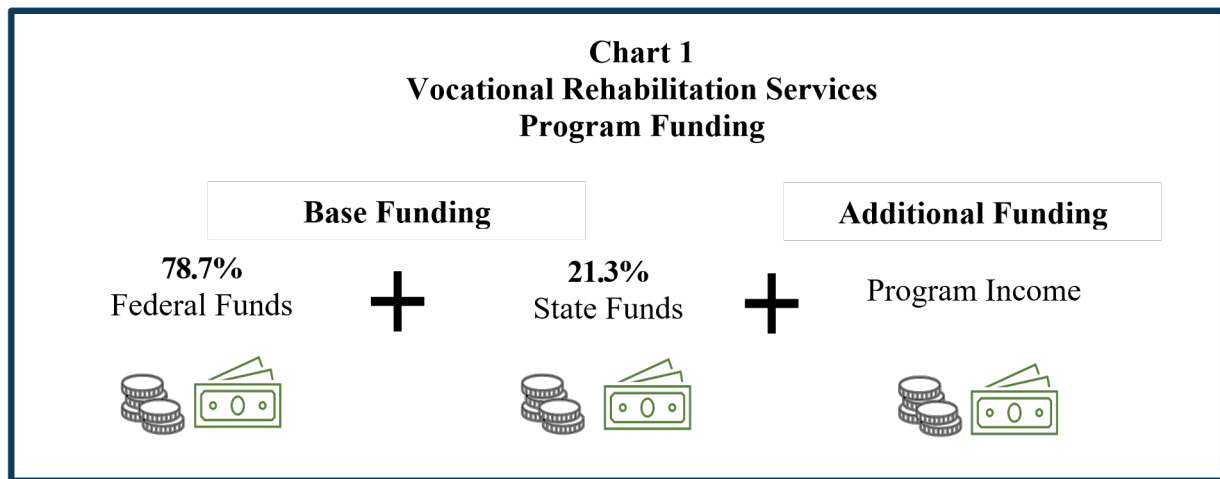
⁴ The Tennessee Rehabilitation Information Management System (TRIMS) is a case management computer system that processes VR applications and maintains VR case information.

Authorization of the VR Program and the State Rehabilitation Council

The Rehabilitation Act of 1973 (Rehabilitation Act), as amended by Title IV of the Workforce Innovation and Opportunity Act, authorized the VR program and established a State Rehabilitation Council, which partners with the Division of Rehabilitation Services to maximize employment and independent living for Tennesseans with disabilities. The council advocates for the VR program, provides recommendations and comments to the division about the VR program, and advises the division on issues facing VR customers. The Rehabilitation Act also authorized states to receive federal grants to operate their VR programs.

VR Funding

Tennessee's VR program is funded by three primary sources: federal funds, state funds, and program income.³ See **Chart 1**.



Source: Illustration based on the auditor's understanding of the VR program funding process.

The U.S. Department of Education (federal grantor) awarded Tennessee between \$76 million and \$80 million in federal grant years⁴ 2018 through 2020 to operate the VR program. The department is required to contribute a state match of 23.1% of the federal grant award. In addition, the VR program generates program income from activities supported under the program, such as reimbursements from the Social Security Administration for services the VR program provides to individuals receiving Social Security Disability Insurance benefits. See **Table 2** for actual VR funding for federal grant years 2018 through 2020.

³ Program income is gross income received by the state that is directly generated by an activity supported under the VR program.

⁴ The federal grant year is October 1 through September 30.

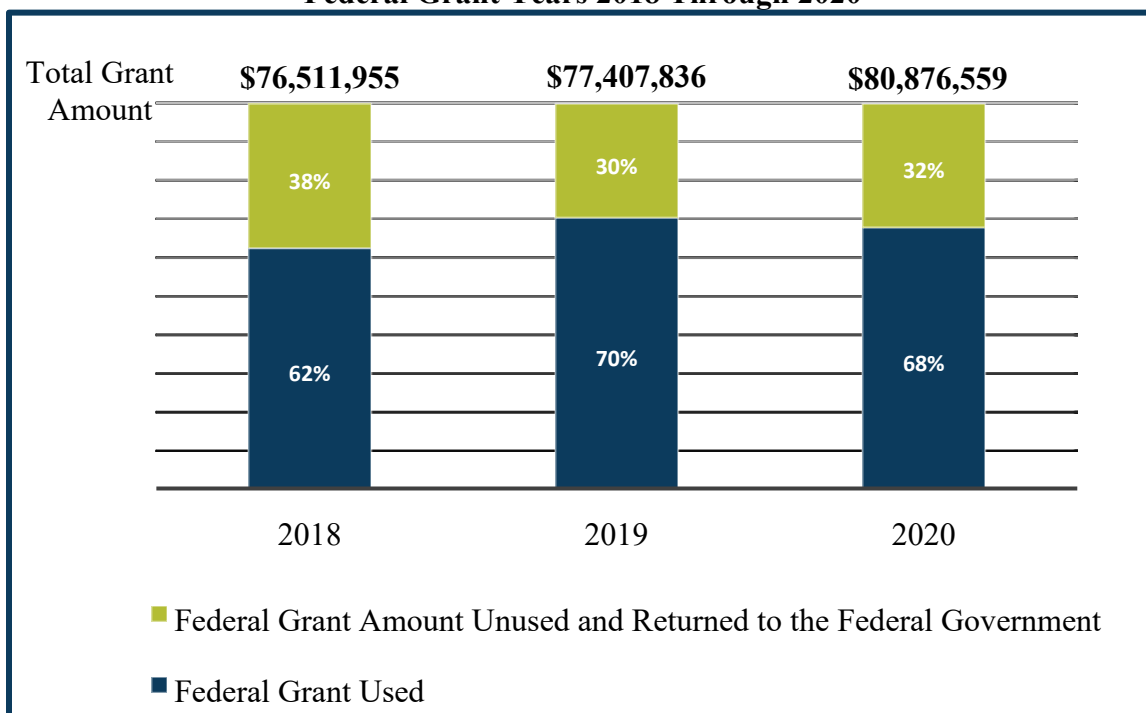
Table 2
Actual Tennessee VR Funding Used Federal
Grant Years 2018 Through 2020

Federal Grant Year	Total Federal Award Granted	Actual Federal Funding Used	Actual State Matching Funds Used	Actual Program Income Used	Total Funds Used for Program
2018	\$76,511,955	\$47,776,300	\$13,274,172	\$1,257,362	\$62,307,834
2019	\$77,407,836	\$54,505,545	\$14,946,950	\$742,384	\$70,194,879
2020	\$80,876,559	\$54,868,455	\$17,204,465	\$495,520	\$72,568,440

Source: Department of Human Services' Fiscal Division.

We analyzed the VR program funding for federal grant years 2018 through 2020. Based on our analysis, we found that the department used part of its federal grant award during those years and returned the unused portion of its grants to the federal government. See **Chart 2**.

Chart 2
Percentage* of Federal Award Used and Unused
Federal Grant Years 2018 Through 2020



*The percentages shown in the chart are rounded to the nearest whole percent. Source: Tennessee Department of Finance and Administration.

Management stated that the department did not have enough state appropriations during those fiscal years to allow management to match all the federal grant award that was available. During fiscal year 2021, the state legislature approved department management to transfer \$3,475,000 to the Division of Rehabilitation Services from other divisions within the department. If department management decides to dedicate a portion of the transferred funds to the VR program, the department may have an opportunity to use more of the federal award. Currently, division management and fiscal staff have monthly meetings to discuss VR's fiscal state. Division management also reviews fiscal reports and summaries to make informed decisions about the VR program.

Applying for VR Services

Eligibility Determination

To be eligible for the VR program, individuals must have a physical or mental impairment that results in a substantial impediment to employment and must be able to benefit from VR services to achieve employment and maximize career goals. An individual⁵ applies for VR services, and based on the individual's physical or mental impairments, a VR counselor determines whether the individual is eligible for the VR program. The Rehabilitation Act of 1973 requires VR counselors to determine an applicant's eligibility within 60 calendar days from the date the applicant completes the application. If an exceptional or unforeseeable circumstance extends eligibility determination beyond 60 days, the applicant and counselor can agree to a specific extension of time to determine eligibility. See **Table 3** for the number of individuals who applied for the VR program and the number of applicants the Division of Rehabilitation Services deemed eligible and ineligible.

Table 3
Number of Individuals Who Applied for the VR Program
State Fiscal Years 2017 Through 2020

State Fiscal Year	VR Applicants*	Eligible	Ineligible
2017	5,912	5,482	404
2018	5,406	5,006	342
2019	5,946	5,576	336
2020	4,850	4,532	293

* Because division staff may take up to 60 days to review applications, applicants may apply for the VR program in a different fiscal year than division staff make the eligibility determination; therefore, the number of individuals deemed eligible and ineligible does not equal the total number of applicants. Source: Division of Rehabilitation Services' TRIMS computer system.

⁵ The term *individual* refers to the individual or the individual's representative.

Priority Categories

In compliance with the Rehabilitation Act of 1973, the division operates Tennessee's VR program under an order of selection⁶ with four priority categories. VR counselors place all eligible individuals into one of the four categories based on the individual's disabilities and the length of time the individual will need services. (See **Table 4** for a description of each priority category.) As of June 30,

The Division of Rehabilitation Services only serves VR customers in priority categories 1 or 2 because the state operates under an order of selection.

2021, the Division of Rehabilitation Services provided services to only those customers in priority categories 1 and 2, which are individuals who have the most severe disabilities. The division's TRIMS computer system determines a customer's disability significance based on medical information that customer submits during the application process.

Table 4
Vocational Rehabilitation Priority Categories

Priority Category (PC)	Description
PC 1	Eligible individuals who have the most significant disabilities . The individual has a severe physical, mental, or sensory impairment or a combination of impairments that creates significant limitations in two or more functional capacities that prevent successful employment. The individual is expected to receive two or more VR services for six months or more from the date that services are initiated to complete.
PC 2	Eligible individuals who have significant disabilities . The individual has a severe physical, mental, or sensory impairment or a combination of impairments that creates significant limitations in one functional capacity that prevents successful employment. The individual is expected to receive two or more VR services for six months or more from the date that services are initiated to complete.
PC 3	Eligible individuals who do not have significant disabilities and whose vocational rehabilitation is expected to require multiple VR services . The individual has a non-severe physical, mental, or sensory impairment or a combination of impairments that creates a non-significant limitation in at least one functional capacity that prevents successful employment. The individual is expected to require two or more VR services.

⁶ The Rehabilitation Act of 1973 requires states who cannot serve all eligible VR customers to establish an order of selection process, which means these states will first serve individuals with the most significant disabilities.

PC 4	Eligible individuals who do not have a significant disability that cannot be classified into a higher priority category. The individual has a non-severe physical, mental, or sensory impairment or a combination of impairments that creates a non-significant limitation in at least one functional capacity that prevents successful employment. The individual is expected to receive only one VR service.
-------------	---

Source: *Vocational Rehabilitation Program Procedures Manual*.

We provide the number of customers in each priority category for state fiscal years 2017 through 2020 in **Table 5**.

Table 5
Number of Eligible Customers Placed in Each Priority Category (PC)
Fiscal Year 2017 Through 2020

Fiscal Year	PC 1 Customers	PC 2 Customers	PC 3* Customers	PC 4* Customers
2017	3,171	962	19	12
2018	3,102	1,126	31	31
2019	3,560	1,436	22	13
2020	2,883	1,325	15	10

*Although the number of priority category 3 and 4 customers appears small, according to management, this number is not reflective of all Tennesseans who may want VR services and could qualify for categories 3 and 4. Source: Division of Rehabilitation Services' TRIMS computer system.

Individualized Plan for Employment

The Division of Rehabilitation Services works with priority category 1 and 2 customers or their representatives to create an Individualized Plan for Employment (IPE), which details the services the individual needs to achieve a specific employment goal. Title 34, *Code of Federal Regulations* (CFR), Part 361, Section 45(e), requires counselors to develop IPEs within 90 calendar days of determining a customer's eligibility. The division's *Vocational Rehabilitation Program Procedures Manual* states that if the counselor cannot develop an IPE within 90 days, the counselor and customer must agree to an IPE extension. Additionally, 34 CFR 361.46(a) requires counselors to include details of the employment goals and the responsibilities of the customer within the IPE. Once the counselor and customer complete, approve, and sign the IPE, the customer can begin receiving VR services to achieve their employment goals.

Customer Contact and Annual Program Review

Counselors maintain communication with their VR customers until their VR case is closed, once a customer achieves employment and has worked for 90 days. The Division of Rehabilitation Services' *Vocational Rehabilitation Program Procedures Manual* requires counselors to contact customers while their case is open, at least once every 90 days, either in person or by the method the customer prefers such as by email, text, or letter.

Also, 34 CFR 361.45(d)(5) requires counselors to perform an annual program review of the customer's IPE to assess the customer's progress toward achieving their employment goal, to determine if the customer's circumstances have changed, and to determine if the customer's IPE needs revisions for the customer to achieve their employment goal.

The *Vocational Rehabilitation Program Procedures Manual* requires counselors to document all contact with customers and annual reviews of the IPEs in the customers' case files in TRIMS. VR Field Supervisors and Regional Supervisors periodically review the counselors' contacts and annual reviews of VR customers using the Next Action Report generated from

To assess customers' progress toward achieving their employment goals, the *Vocational Rehabilitation Program Procedures Manual* requires counselors to contact customers every 90 days, and federal regulations require counselors to perform an annual program review.

From: [Petra Wade](#)
To: [Angelique Franzoni](#)
Subject: RE: City of Franklin Funding Request
Date: Friday, March 4, 2022 3:23:28 PM
Attachments: [image001.png](#)

ATTENTION COF staff: This email originated from outside the City of Franklin. Please use discretion when clicking on attachments & links from unknown senders or suspicious emails.

Hello Angelique,

In response to your inquiry, the DHS report does not show any findings for the community TRCs. Again, please let me know if you have any additional questions or concerns.

Thank you,
Petra D. Wade



Petra Wade | VR Career Training Coordinator
Division of Rehabilitation Services
203 Beasley Dr
Franklin, TN 37064
(615) 595-2073
petra.wade@tn.gov
tn.gov/humanservices

From: Angelique Franzoni <angelique.franzoni@franklin.tn.gov>
Sent: Friday, March 4, 2022 11:05 AM
To: Petra Wade <Petra.Wade@tn.gov>
Subject: [EXTERNAL] RE: City of Franklin Funding Request

Hi Petra,

Thank you. Please confirm that there were no findings for your department under the Department of Human Services. I appreciate it.

Kind Regards,

Angelique Franzoni, CMFO
Financial Analyst

From: Petra Wade <Petra.Wade@tn.gov>
Sent: Friday, March 4, 2022 8:59 AM
To: Angelique Franzoni <angelique.franzoni@franklintn.gov>
Subject: RE: City of Franklin Funding Request

ATTENTION COF staff: This email originated from outside the City of Franklin. Please use discretion when clicking on attachments & links from unknown senders or suspicious emails.

Good morning Angelique,

All is well, thank you. The Audit included other departments within the Department of Human Services, but I only included the audit information pertaining to our department (Division of Rehabilitation Services). Please let me know if you have any additional questions or concerns.

Thank you,
Petra D. Wade



Petra Wade | VR Career Training Coordinator
Division of Rehabilitation Services
203 Beasley Dr
Franklin, TN 37064
(615) 595-2073
petra.wade@tn.gov
tn.gov/humanservices

From: Angelique Franzoni <angelique.franzoni@franklintn.gov>
Sent: Friday, March 4, 2022 8:46 AM
To: Petra Wade <Petra.Wade@tn.gov>
Subject: [EXTERNAL] RE: City of Franklin Funding Request

***** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. *****

Hi Petra!

I hope that you are well. The Audit pages mention findings and that they are discussed in the Audit Conclusions pages. I don't see that discussion. Are there other pages to this audit document?

Please send along. Thank you!

Kind Regards,

Angelique Franzoni, CMFO
Financial Analyst

From: Petra Wade <Petra.Wade@tn.gov>
Sent: Thursday, February 17, 2022 3:47 PM
To: Angelique Franzoni <angelique.franzoni@franklintn.gov>
Subject: FW: City of Franklin Funding Request

ATTENTION COF staff: This email originated from outside the City of Franklin. Please use discretion when clicking on attachments & links from unknown senders or suspicious emails.



Petra Wade | VR Career Training Coordinator
Division of Rehabilitation Services
203 Beasley Dr
Franklin, TN 37064
(615) 595-2073
petra.wade@tn.gov
tn.gov/humanservices

From: Petra Wade
Sent: Thursday, February 17, 2022 1:17 PM

To: accountspayable@franklintn.gov

Subject: FW: City of Franklin Funding Request

Good afternoon,

I am the new contact for the Division of Rehabilitation Services for the State of Tennessee, and I am submitting the funding request information for the fiscal year of 2022-2023. Thank you for your continued support, and we look forward to partnering with you this year. If you have any questions or concerns regarding the information attached please don't hesitate to contact me.

Thank you,
Petra D. Wade



Petra Wade | VR Career Training Coordinator
Division of Rehabilitation Services
203 Beasley Dr
Franklin, TN 37064
(615) 595-2073
petra.wade@tn.gov
tn.gov/humanservices

From: Petra Wade
Sent: Thursday, February 17, 2022 11:06 AM
To: Pam Furlong <Pam.Furlong@tn.gov>
Subject: City of Franklin Funding Request



Petra Wade | VR Career Training Coordinator
Division of Rehabilitation Services
203 Beasley Dr
Franklin, TN 37064
(615) 595-2073
petra.wade@tn.gov
tn.gov/humanservices



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:

(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:

Name

Email

Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Digitally signed by Connie Kinnard
DN: cn=Connie Kinnard, o, ou,
email=connie@gmcb.com, c=US
Date: 2022.03.18 10:38:10 -05'00'

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

TLO is seeking monetary support in order to help maintain lawncare of Toussaint L'Ouverture Cemetery located on the corner of Del Rio Pike and Hillsboro Rd.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

1. mowing of the cemetery
2. provide trash receptacles
3. removal of debris



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☐ bi-monthly ☐ monthly ☐ quarterly ☐ semi-annually ☒ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☐ Yes ☒ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Signature of (CEO/President/Executive Director/Board Chair)

Digitally signed by Connie Kinnard
DN: cn=Connie Kinnard, o, ou,
email=connie@gmcb.com, c=US
Date: 2022.03.18 10:59:04 -05'00'

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Toussaint Louverture Cemetery Organization Inc.

Attachments:

- ☐ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☐ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☐ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



City of Franklin

Vendor Information Form

Vendor Name

Toussaint L'Ouverture Organization

Vendor ID (For
Office Use)

Contact Name

Lisa A Taylor

Contact Email Address

ltaylor6339@gmail.com

Physical Street Address

1907 Carters Creek Pike

Remittance Address, if different

P.O. Box 680545

City, State ZIP

Franklin, TN 37064

City, State ZIP

Franklin, TN 37068

Phone Number

6154822491

Email Address for ACH Remittance

ltaylor6339@gmail.com

In order to ensure timely payment, the City of Franklin encourages vendors to receive payment via direct deposit. Should you select ACH, a remittance will be emailed to you showing pertinent payment information.

Payment Mode

☒ ACH

☐ Check

Name of Financial Institution

Bank of America

Routing Number

064000020

Account Number

004900186139

I/we hereby authorize the City of Franklin to initiate credit entries to my/our account listed above and authorize the financial institution to credit the same to my/our account. It is my/our responsibility to notify the City of Franklin Finance Department immediately if I/we become aware of any changes in status or bank information. If funds to which I/we am/are not entitled are deposited in error to my/our account, the City of Franklin is authorized to direct the financial institution to return the funds via an ACH debit transaction. This order will remain in effect until submission in writing to the Finance Department.

Authorized Signature

Lisa Taylor

Digitally signed by Lisa Taylor
DN: cn=Lisa Taylor, o=Pace Analytical, ou,
email=Lisa.Taylor@pacelabs.com, c=US
Date: 2022.03.18 10:39:36 -05'00'

Date

03/18/2022

Please submit this form along with a W-9. The forms can be emailed to accountspayable@franklintn.gov or mailed to P O Box 295, Franklin, TN 37065.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	
	☐ Individual/sole proprietor or single-member LLC	
	☐ C Corporation	
	☐ S Corporation	
	☐ Partnership	
☐ Trust/estate		
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ►		
Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.		
☐ Other (see instructions) ►		
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):		
Exempt payee code (if any) _____		
Exemption from FATCA reporting code (if any) _____		
(Applies to accounts maintained outside the U.S.)		
5 Address (number, street, and apt. or suite no.) See instructions.		
Requester's name and address (optional)		
6 City, state, and ZIP code		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
				-			-		
or									
Employer identification number									
				-					

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign
Here

Signature of
U.S. person ►

Date ►

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.



**Annual Reporting Form for Nonprofit Organizations
Seeking Financial Assistance from Local Governments**

Toussaint Louverture Cemetery Organization Inc.

Name of Nonprofit Organization

1907 Carters Creek Pike	Franklin	Williamson	TN	37064
Street Address	City	County	State	Zip

Annual Financial Report of Cash Receipts, Disbursements, and Balances

For the Fiscal Year from March 2022 **through** June 2023

Report Required by Title 5, Chapter 9, Part 1,
And Title 6, Chapter 54, Part 1, *Tennessee Code Annotated*

Receipts

Federal Grants	\$	
State Grants		
Financial Assistance from Local Governments		
Donations and Gifts from Citizens		
Membership Dues		
Fees/Charges for Services		
Fundraising Events		
Sale of Assets		
Loans-Borrowed Funds		
Investment Income		
Other Receipts		
Total Receipts	\$	0.00 (A)

Disbursements

Grants and Other Assistance Paid to Other Organizations and Individuals	\$	
Salaries and Wages		
Employee Benefits		
Payroll Taxes		
Fees for Services (non-employee)		
Advertising and Promotion		
Office Expenses		
Leases/Rentals		
Maintenance and Repairs		
Supplies		
Travel		

Utilities	_____	
Insurance	_____	
Conferences, Conventions and Meetings	_____	
Interest	_____	
Purchase of Capital Assets – Vehicles and Equipment	_____	
Purchase of capital Assets – Property and Buildings	_____	
Loan Payments	_____	
Other	_____	
Total Disbursements		\$ <u>0.00</u> (B)

Cash Receipts Less Disbursements for the fiscal Year (A-B=C) \$ 0.00 (C)

Cash Balance - at the beginning of the fiscal year \$ _____ (D)

Cash Balance - at the end of the fiscal year (C+D=E) \$ 0.00 (E)

Details of Cash Balance - at the end of the fiscal year

Cash on Hand	\$ _____	
Cash in Bank – Checking	<u>918.88</u>	
Cash in Bank – Savings Accounts	<u>0.00</u>	
Cash in Bank – Certificates of Deposits	<u>25,000.00</u>	
Other Cash	_____	
Total Cash - at the end of the fiscal year		\$ <u>25,918.88</u> (E)

Please Explain Proposed Use of the Financial Assistance from Local Governments.

Lawn maintenance and beautifcation of Toussaint Louverture Cemetery.

I certify that this report accurately presents the cash receipts, disbursements, and balances of the
Toussaint Louverture Cemetery Organization Inc. _____ for the fiscal year noted above.

Name of Nonprofit Organization

Person Preparing Report

Lisa A Taylor

Printed Name

Lisa Taylor

Digitally signed by Lisa Taylor
 DN: cn=Lisa Taylor, o=Pace Analytical,
 ou, email=Lisa.Taylor@pacelabs.com,
 c=US
 Date: 2022.03.18 10:41:23 -0500

Signature

Phone Number 615-482-2491

Email Address ltaylor6339@gmail.com

Date 03/17/2022

TLO Cemetery Org. Inc.

P.O Box 680545 Franklin, TN 37064

03/18/2022

109 Third Ave South
Franklin, TN 37064

City of Franklin:

In cooperation and compliance of the application some of the required documents are not available, due to our new existence. We were only granted 501c3 status in November 2021 and are in the process of re-creating a viable and sustainable organization. If there is any additional information that we can provide, please do not hesitate to reach out and we will do our best to provide the documentation; however, we do not have:

Option 1

Option 2

Proof of Business Registration with the state of TN

Certificate of Insurance

Additional Information:

Board of Directors:

President: Connie Kinnard hharlo@gmail.com (615)512-8803

Treasurer: Lisa A. Taylor ltaylor6339@gmail.com (615) 482-2491

Vice-President: William Taylor wtaylo2540@gmail.com (901) 239-3163

Secretary: David Kinnard David_kinnard@hotmail.com (615)828-9811

Member: Marianne Schroer schroer.marianne@gmail.com

Member: Robert Blair mediablair2@gmail.com (615) 397-2927

Sincerely,

Lisa Taylor

Digitally signed by Lisa Taylor
DN: cn=Lisa Taylor, o=Pace
Analytical, ou, email=Lisa.
Taylor@pacelabs.com, c=US
Date: 2022.03.18 14:01:15
-05'00'



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

TOUSSAINT LOUVERTURE CEMETERY
ORGANIZATION INC
C/O CONNIE KINNARD
PO BOX 680545
FRANKLIN, TN 37068

Date: 11/24/2021
Employer ID number: 87-2309272
Person to contact: Name: Customer Service
ID number: 31954
Telephone: (877) 829-5500
Accounting period ending: December 31
Public charity status: 509(a)(2)
Form 990 / 990-EZ / 990-N required: Yes
Effective date of exemption: August 12, 2021
Contribution deductibility: Yes
Addendum applies: No
DLN: 26053650005061

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements

Letter 947 (Rev. 2-2020)
Catalog Number 35152P



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:

(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:

Name

Email

Phone

Mailing Address:

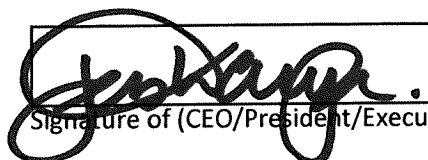
Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date



Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Transit Alliance of Middle Tennessee, Inc.

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

(see attached Proposed Use of Funds)
The Transit Alliance is strategically expanding its volunteer and Alumni programs in the region in the coming year. This will allow the organization to raise greater awareness of the value of mobility as the foundation of access to opportunity. These programs illustrate how improved transportation and transit, including investments in infrastructure, helps promote higher quality of life for residents and communities, greater access to jobs/workforce and education/training, and supports sustainability of economy and environment.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

Funds from the City of Franklin will be used judiciously to support our current award-winning programs, including the Transit Citizen Leadership Academy (TCLA), regional Alumni and volunteer training efforts, as well as other educational programs as opportunities in the region arise. To attain maximum efficacy, we constantly assess our educational efforts and volunteer trainings. These must continue to evolve as the population, amenities, challenges, and needs of the region grow. Support from municipalities, like the City of Franklin are a vital support network for the Transit Alliance.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

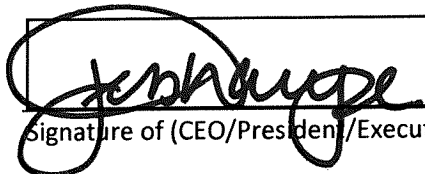
Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☒ bi-monthly ☒ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☐ Yes ☒ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Jessica Dauphin	03/21/2022
Printed Name of (CEO/President/Executive Director/Board Chair)	Date

	3/21/22
Signature of (CEO/President/Executive Director/Board Chair)	Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Transit Alliance of Middle Tennessee, Inc.

Attachments:

- ☐ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☒ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☒ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency



Proposed Use of Funds

The Mission of the Transit Alliance of Middle TN is to build support for funding regional transit by educating, empowering, and mobilizing communities and leadership. Our goal is to educate citizens around the region regarding the need and value of a connected Middle Tennessee transit system.

The Alliance welcomes all residents, business leaders, and elected officials from the region to our programs. The Alliance also welcomes requests for speaking engagements to communities or civic groups. We are available to collaborate on any specific needs you may have in terms of educating residents about the value of transit. See our full list of programs below. Additionally, we work to ensure that no barriers prevent participation. We are grateful to report that we are able to reach that goal due to the support from area counties, municipalities, and companies. These programs are free for participants to register and attend. We intend to use the funds to continue our work and educational programs across the region, including but not limited to the following:

- **Transit Citizen Leadership Academy (TCLA)** - The TCLA is an award-winning educational six-session series of expert-led presentations, panels, and discussions. It is designed to give participants a high-level view of how public transit supports a higher quality of life and intersects with our health, environment, economy, and ability to meet equity goals.
- **Speaker Series** - Our speaker series is designed for the busy individual who wants to learn more about issues related to transit. It is a four-part series spread over four months that explores various issues related to transit and advocacy.
- **Neighborhood Transit Institute (NTI)** - The NTI is a three-session series based on the TCLA while aimed at those who desire to know how to protect and enhance transit in their neighborhoods.
- **STEM-curriculum for high school students** - this is an 11-hour curriculum built to pique the interest of high school students in STEM-focused programs. It highlights transportation and transit engineering and planning and culminates with a student project.
- **Transit Advocacy Training** - This is a toolkit on our website designed to help residents understand the importance and logistics of communicating with their elected officials and how to be an effective advocate for transit.
- **Speaking and/or facilitation** - The Transit Alliance strives to accommodate all requests for group presentations to regional municipalities, businesses, civic organizations, faith organizations, and any other organization that requests a facilitated discussion of transportation and transit in the region. We can discuss our work, the history of transit in the region, the current state of transit in the region, and the value of transit to the regional communities. The Transit Alliance is also available to facilitate a discussion specific to any partners' needs.
- **Communications** - The Transit Alliance strives to be the reliable resource of supporting transit in Middle Tennessee. We leverage OpEds, emails, videos, and social media, to educate the region.
- **Regional coordination** - The Transit Alliance remains a regional voice on transportation-specific committees for example the Nashville Area Chamber of Commerce's Moving Forward initiative and the Greater Nashville Regional Council's Transportation Demand Management thinktank. We attend the Regional Transit Authority meetings and the GNRC's Transportation Policy Board meetings.

The Transit Alliance of Middle Tennessee (EIN 27-1568117) is a 501(c)(3) organization and as such your contribution is tax deductible to the extent allowed by law. No goods or services were provided in exchange for your generous donation.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

03/04/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER First Ins Partners 110 Mathis Dr. Suite 105 Dickson TN 37055	CONTACT NAME: Pamela Stanford (Rep) PHONE (A/C, No, Ext): (615) 446-2814 E-MAIL ADDRESS: pstanford@southpointrisk.com FAX (A/C, No): INSURER(S) AFFORDING COVERAGE INSURER A: Selective Insurance Co of South Carolina INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	NAIC # 19259
INSURED THE TRANSIT ALLIANCE OF MIDDLE TENNESSEE 500 11th Ave N SUITE 200 NASHVILLE TN 37203		

COVERAGES**CERTIFICATE NUMBER:** CL213447209**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☒ LOC OTHER:			S 2257171	04/26/2021	04/26/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N ☐	N / A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

The City of Franklin
City Hall
109 3rd Avenue South
Franklin TN 37064

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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First Name	Last Name	Position	Company	Term Ends	County
Jim	Schmitz	Chair	Elliott Davis	2024	Davidson
Ken	Moore		City of Franklin	n/a	Williamson
Pete	Wooten		Pinnacle Financial Partners	2022	Davidson
Randall	Hutto		Wilson County	n/a	Wilson
Debbie	Henry	Treasurer	TMA Group	2023	Williamson
Lewis	Agnew		Charles Hawkins	2023	Davidson
Ryan	Stanton		Vice Chair TVA	2023	Davidson
Charles	Sueing		Secretary Sueing Insurance Group	2023	Williamson
Jamie	Dunham			2023	Davidson
Richard	Warren		Bradley	2024	Davidson

Advisors and Ex Oficio

Charles	Bone	Bone McAllister Norton
Ralph	Shulz	Nashville Area Chamber of Commerce

Email	Office Phone	Cell Phone
james.schmitz@comcast.net		319-7005
ken.moore@franklintn.gov	550-6600	934-1124
pete.wooten@pnfp.com	744-2892	483-9935
hutto@wilsoncountyttn.com		615-405-1611
dhenry@tmagroup.org	(615) 628-0264	
Lagnew@chco.com	615.256.3189	615.712.4318
ryan.stantonwyman@gmail.com		214-563-4371
csueing1@comcast.net	615-366-0523	
jamie@jamiedunham.com		615-739-1133
rwarren@bradley		615-252-2337



**Annual Reporting Form for Nonprofit Organizations
Seeking Financial Assistance from Local Governments**

Name of Nonprofit Organization

Street Address

City County State Zip code

Annual Financial Report of Cash Receipts, Disbursements and Balances for the Fiscal Year from

through

Report required by Title 5, Chapter 9, Part 1 And Title 6, Chapter 54, Part 1, Tennessee Code Annotated

Receipts:

Federal Grants	\$0	Fees/Charges for Services	\$0
State Grants	\$0	Fund-raising Events	\$0
Financial Assistance from Local Governments	\$71,692	Sale of Assets	\$0
Donations and Gifts from Citizens	\$25,250	Loans-Borrowed Funds	\$0
Membership Dues	\$4,432	Investment Income	\$0
	\$0	Other Receipts	\$19,888

Total Receipts \$ **(A)**

Disbursements:

Grants and Other Assistance paid to other Organizations and Individuals	\$	Leases/Rentals	\$0
Salaries and Wages	\$70,000.06	Maintenance and Repairs	\$0
Employee Benefits	\$	Supplies	\$
Payroll Taxes	\$6,263.32	Travel	\$1500
Fees for Services (non-employee)	\$27,671.87	Utilities	\$
Advertising and Promotion	\$731.99	Insurance	\$436
Office Expenses	\$9,587.14	Conferences, Conventions and Meetings	\$1,056.28
Interest	\$139.48	Loan Payments	\$0

Purchase of Capital Assets - Vehicles and Equipment	\$ 0	Other	\$ 0
Purchase of Capital Assets - Property and Buildings	\$ 0		

Total Disbursements \$ 117,250 (B)

Cash Receipts Less Disbursements for the Fiscal Year (A-B = C) \$ 4,012 (C)

Cash Balance - at the beginning of the Fiscal Year \$ (D)

Cash Balance - at the end of the Fiscal Year (C+D = E) \$ (E)

Details of Cash Balance - at the end of the Fiscal Year

Cash on Hand	\$ 223,415	Utilities	\$ 0
Fees for Services (non-employee)	\$	Utilities	\$ 0
Fees for Services (non-employee)	\$		

Total Cash - at the end of the Fiscal Year \$ 223,415 (F)

Please explain proposed use of the financial assistance from Local Governments

The Mission of the Transit Alliance of Middle TN is to build support for funding regional transit by mobilizing and educating community leadership. Our goal is to educate citizens around the region regarding the need and importance of funding a connected transportation system for Middle Tennessee.

I certify that this report accurately presents the cash receipts, disbursements and balances of the

Transit Alliance of Middle Tennessee, Inc.

for the Fiscal Year noted above.

Name of Nonprofit Organization

Person Preparing Report Jessica Dauphin

Printed Name


Signature

Phone Number 615-743-3051

Email Address jessica.dauphin@thetransitalliance.org

Date March 18, 2022

**Re: Note on Audit Exemption**

The Transit Alliance is a 501(c)3 nonprofit that serves the Middle Tennessee region. The mission is to build support for regional transit through education and empowerment of residents across the region, including the following counties: Cheatham, Dickson, Davidson, Maury, Montgomery, Robertson, Rutherford, Sumner, Williamson, and Wilson.

The Transit Alliance is not required to have an audited financial statement as per the Tenn. Code Ann. § 48-101-506(b)(2): A charitable organization with gross annual revenue over \$500,000 (excluding grants from government agencies and other 501(c)(3) nonprofits) must file an audited financial statement prepared by an independent CPA.

Transit Alliance does not gross more than \$500,000 in revenue; therefore, it is not required to undergo or submit an audited financial statement.

As a charitable organization in the state of Tennessee, the Transit Alliance is required to register annually with the State's Division of Charitable Solicitations and Gaming in the Office of Tennessee Secretary of State Tre Hargett. As part of that registration process, it is the organization's responsibility to provide an IRS form 990, 990EZ, or 990N.

Thank you for your support,



Jessica Dauphin
President & CEO, Transit Alliance of Middle TN

The Transit Alliance of Middle Tennessee (EIN 27-1568117) is a 501(c)(3) organization and as such your contribution is tax deductible to the extent allowed by law. No goods or services were provided in exchange for your generous donation.



Franklin Nonprofit Funding Request – Fiscal Year 2022-2023

Application for Charitable and Civic Organizations

Submission Deadline: March 21, 2022

Agency Name:
(List agency name as it appears on the Secretary of State website)

Legal Status: ☒ Charitable (501c3) ☐ Civic Organization (501c6 or 501c4)

Application Contact:
Name Email Phone

Mailing Address:

Headquarters' Address (if different from mailing):

Total amount of City of Franklin funds being requested for FY2022-2023 \$

By signing below, I acknowledge that the City of Franklin Nonprofit Funding Application has been reviewed thoroughly, each item has been completed properly, and correct forms, attachments, and documents have been provided as requested. Should funding be approved, this application and supporting documents will become Exhibit A of the issued contract. Incomplete applications will not be reviewed.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Lance Jordan
Lance.Jordan@Maid11202213165057
Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name: Waves, Inc.

Every question and attachment requested are mandatory unless otherwise stated.

1. Do you provide year-round services? ☒ Yes ☐ No
If no, please list service dates.

2. **Use of Funds:** All funds provided by the City of Franklin must be used to promote the general welfare of Franklin residents or to maintain and increase employment opportunities in the municipality. Please attach documentation or provide an explanation below describing the program for which you are seeking funds to support.

The funds will be used to support the operation of one component of Waves, the Franklin Adult Day Program. This program for adults with intellectual and developmental disabilities has been operating in Williamson County for 49 years. The program is housed in space located at 1405B Brookwood Avenue and is leased from Williamson County government.

The cost for operating this program unit is \$465,867. The requested funding from the City of Franklin is 4.9% of the direct cost. The City's investment is met with funding from the state Department of Intellectual and Developmental Disabilities; United Way of Williamson County; Williamson County Government; private pay fees; and contributions.

Funding is also received from the TennCare Choices Waiver which is managed through MCO's, Amerigroup, United Health Care and Blue Care Network.

Funding received from the City of Franklin will continue Waves efforts to provide meaningful daily activities for 29 adults that will empower them to progress toward their full potential. Such support allows them to participate in, and contribute to, family and community life. Having a safe place for their family member to receive care, training, and socialization allows their family members to work.

3. **Work Plan (Performance Objectives):** Describe, in detail, how the City of Franklin's funds will be used to support the program described in question 2.

The primary services provided by the Franklin Adult Day Services Program are meaningful daily activities and participation in community life; vocational training; recreation therapy; advocacy; social services; transportation; monitoring of health conditions such as diabetes, high blood pressure and seizures; public education about intellectual and developmental disabilities; and referral and information services.

Waves Franklin Adult Day Program provided training and therapeutic recreation activities to 29 adults with intellectual disabilities ranging from 22 to 76 years in age. 10 of the 29 participants also have physical disabilities which require use of wheelchairs and/or assistive devices.

The objective of the Adult Day Program is to support the acquisition, retention, or improvement in daily living, social, communication, self-help, and other adaptive skills. Most services are provided by a Direct Support Professional to a small group of three to six people and are individualized to the greatest extent possible. Some individuals who have significant physical disabilities require one on one staff support. In addition to the training provided in Waves sites, learning activities take place in community settings, such as a local church or community center. "Life Skills" classes structured on themes related to safety and health, basic academic skills, and life activities such as money handling and using the trolley. Waves' staff coordinate opportunities for physical activities such as walking club and swimming class at the Williamson County Recreation Center and attendance at special events such the Williamson County Fair.

Individuals are encouraged to consider community-based employment or are linked to volunteer opportunities. Examples of volunteer opportunities that occur on a regular basis are: organizing items at GraceWorks; cleaning trails at Edwin Warner Park. Other volunteer sites are Bowie Nature Park. Volunteer activities that occur on a periodic basis are assisting with mailings for nonprofit organizations and churches and collecting donations of food or other supplies for other local organizations such as OneGenAway.

The Adult Day Program is open Monday - Friday from 8:00 AM to 4:00 PM on a year-round basis. Round trip transportation is provided to most participants.



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

4. What is your fiscal year (ex. July 1 to June 30)? to
5. How often does the Board of Directors receive/approve financial reports?
☒ bi-monthly ☒ monthly ☒ quarterly ☐ semi-annually ☐ annually
6. Are the agency's financial records audited by an independent certified public accountant? ☒ Yes ☐ No
7. Of your local agency revenue budget, what percentage is derived from this funding request to the City of Franklin?

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Lance Jordan
Lance Jordan (Mar 11, 2022 1:31:33 CST)

Signature of (CEO/President/Executive Director/Board Chair)

Date



FY2022-2023 Nonprofit Organization Funding Request, continued.
July 1, 2022 – June 30, 2023

Agency Name:

Attachments:

- ☒ Option 1: Annual Audit for the last fiscal year you have concluded **OR**
- ☐ Option 2: A completed State of Tennessee annual reporting form for the last fiscal year you have concluded AND the auditor's opinion and compliance notes for the last fiscal year you have concluded.
- ☒ Proof of nonprofit status (IRS Tax Exempt Letter of Determination).
- ☒ Proof of business registration with the State of TN, proof of registration with the TN Office of Charitable Solicitors, and any other forms of due diligence required by the State Comptroller's office.
- ☒ Board of Directors list that includes the names, positions held, contact information, and expiration date of term for all board members.
- ☒ Certificate of Insurance for professional liability(if applicable), general liability, and workers' compensation with the City of Franklin listed as a Certificate Holder.
- ☐ City of Franklin Vendor Information Form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ W9 for the agency

FY2023NonprofitFundingAppl

Final Audit Report

2022-03-11

Created:	2022-03-11
By:	Staci Davis (sdavis@wavesinc.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAZIMXYPBbeu-Wkxm5ZrQU6Spst-lu2JaU

"FY2023NonprofitFundingAppl" History

-  Document created by Staci Davis (sdavis@wavesinc.com)
2022-03-11 - 6:39:35 PM GMT- IP address: 50.210.27.209
-  Document emailed to Lance Jordan (ljordan@wavesinc.com) for signature
2022-03-11 - 6:41:06 PM GMT
-  Email viewed by Lance Jordan (ljordan@wavesinc.com)
2022-03-11 - 7:10:32 PM GMT- IP address: 50.210.27.209
-  Document e-signed by Lance Jordan (ljordan@wavesinc.com)
Signature Date: 2022-03-11 - 7:13:13 PM GMT - Time Source: server- IP address: 50.210.27.209
-  Agreement completed.
2022-03-11 - 7:13:13 PM GMT



WAVEINC-02

CCOURTEAUX

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/1/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 1298 Hub International Mid-South 3011 Armory Drive Suite 250 Nashville, TN 37204	CONTACT NAME: Mekesha Pearson Woodcock PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: mekesha.pearsonwoodc@hubinternational.com INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Indemnity Insurance Company INSURER B: Carolina Casualty Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:	NAIC # 18058 10510
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COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PROJECT ☐ LOC OTHER:			PHPK2289095	7/1/2021	7/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY			PHPK2289095	7/1/2021	7/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	☐ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED ☒ RETENTION \$ 10,000			PHUB772760	7/1/2021	7/1/2022	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A	KEY0136775	4/9/2021	4/9/2022	PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liabili			PHPK2289095	7/1/2021	7/1/2022	1,000,000 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Please refer to the following page(s) for additional information.

CERTIFICATE HOLDER

CANCELLATION

City of Franklin
109 3rd Avenue South
Franklin, TN 37064

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

**WAVES 2021-2022 BOARD MEMBER
BIOGRAPHICAL INFORMATION**

1	Name: Jim Gilchrist, President	Street: 395 Forrest Park Circle	City: Franklin	Zip: 37064
	Employer: Gilchrist Consulting Group	Email: jim.gilchrist@gmail.com	Telephone: 615.920.4192	Expiration: June 2024
2	Name: Jared King, Secretary	Street: 555 Great Circle Road	City: Nashville	Zip: 37228
	Employer: Kraft CPAs	Email: jking@kraftcpas.com	Telephone: 615.782.4205	Expiration: June 2022
3	Name: Tom Stearns, Honorary Board Chair	Street: 7331 Nolensville Road	City: Nolensville	Zip: 37135-9463
	Employer: State Volunteer Mutual Insurance Co.	Email: thomashstearns@comcast.net	Telephone: 615.776.2814	Expiration: June 2024
4	Name: Hailey Blank	Street:	City:	Zip:
	Employer: Marketing Consultant	Email: haileymarieblank@gmail.com	Telephone:	Expiration: June 2026
5	Name: Denice Demers	Street: 7082 Bakers Bridge Rd	City: Franklin	Zip: 37067
	Employer: First Horizons Bank	Email: DWDemers@firsthorizon.com	Telephone: 615.790.5130	Expiration: June 2024
6	Name: Zachary McMillan	Street: 3833 Somers Lane	City: Thompson's Station	Zip: 37179
	Employer: Hughes and Coleman Injury Lawyers	Email: zmcmillan.law@gmail.com	Telephone: 615.627.8123	Expiration: June 2025
7	Name: Embry Nichols	Street: 1608 Indian Creek	City: Franklin	Zip: 37067
	Employer: Public Entity Partners	Email: embrynichols@gmail.com	Telephone: 267.254.5049	Expiration: June 2026
8	Name: Roberto Ramirez	Street: 3000 Isleworth Dr. Apt. 3103	City: Franklin	Zip:
	Employer: Ascend Federal Credit Union	Email: rramirez@ascend.org	Telephone: 615.630.3295	Expiration: June 2027
9	Name: Debbie Millhouse Sokol	Street:	City:	Zip:
	Employer: CBL Properties	Email: debbie.sokol@cblproperties.com	Telephone:	Expiration: June 2027
10	Name: Trish Stiles	Street:	City: Franklin	Zip: 37067
	Employer: Enviro-Masters Services	Email: trishstiles@gmail.com	Telephone: 615.975.7071	Expiration: June 2027
11	Name: Christy Webb	Street: 2206 Skylark Ct.	City: Franklin	Zip: 37069
	Employer: Goodwill	Email:	Telephone: 615.794.7048	Expiration: June 2022
12	Name: Danielle Williams	Street: 720 Cool Springs Blvd. Ste. 600	City: Franklin	Zip: 37067
	Employer: Crowe, LLP	Email: Danielle.williams@crowe.com	Telephone: 615.515.5960	Expiration: June 2025
13	Name: Rebekah Zeitlin	Street: 8119 Isabella Lane, Ste. 105	City: Brentwood	Zip: 37027
	Employer: Parks Relocation	Email: rebekah@parks-realty.com	Telephone: 615.574.7340	Expiration: June 2025
14	Name: George Zubulake	Street: 312 Windemere Wood Drive	City: Nashville	Zip: 37215
	Employer: Promotions, by George	Email: george@promosbygeorge.com	Telephone: 615.944.4626	Expiration: June 2022



ADDITIONAL REMARKS SCHEDULE

AGENCY Hub International Mid-South	License # 1298	NAMED INSURED Waves, Inc. 1325 W. Main Street, Ste 104 Franklin, TN 37064
POLICY NUMBER SEE PAGE 1		
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 1

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Waves, Inc

Any Person or Organization, when required in written contract documents executed prior to loss, is included as Additional Insured to the extent provided within the policy forms referenced below.

General Liability

PI-GLD-HS 10/11 Additional Insured – When Required by Written Contract

PI-GLD-HS 10/11 Waiver of Transfer of Rights of Recovery Against Others to Us (Waiver of Subrogation) When Required by Written Contract

Human Services Organization Professional Liability

\$1,000,000 Each Professional Incident Limit

\$3,000,000 Aggregate Limit

\$0 Deductible

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**GENERAL LIABILITY DELUXE ENDORSEMENT:
HUMAN SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

It is understood and agreed that the following extensions only apply in the event that no other specific coverage for the indicated loss exposure is provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

Coverage Applicable	Limit of Insurance	Page #
Extended Property Damage	Included	2
Limited Rental Lease Agreement Contractual Liability	\$50,000 limit	2
Non-Owned Watercraft	Less than 58 feet	2
Damage to Property You Own, Rent, or Occupy	\$30,000 limit	2
Damage to Premises Rented to You	\$1,000,000	3
HIPAA	Clarification	4
Medical Payments	\$20,000	5
Medical Payments – Extended Reporting Period	3 years	5
Athletic Activities	Amended	5
Supplementary Payments – Bail Bonds	\$5,000	5
Supplementary Payment – Loss of Earnings	\$1,000 per day	5
Employee Indemnification Defense Coverage	\$25,000	5
Key and Lock Replacement – Janitorial Services Client Coverage	\$10,000 limit	6
Additional Insured – Newly Acquired Time Period	Amended	6
Additional Insured – Medical Directors and Administrators	Included	7
Additional Insured – Managers and Supervisors (with Fellow Employee Coverage)	Included	7
Additional Insured – Broadened Named Insured	Included	7
Additional Insured – Funding Source	Included	7
Additional Insured – Home Care Providers	Included	7
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	7
Additional Insured – Lessor of Leased Equipment	Included	7
Additional Insured – Grantor of Permits	Included	8
Additional Insured – Vendor	Included	8
Additional Insured – Franchisor	Included	9
Additional Insured – When Required by Contract	Included	9
Additional Insured – Owners, Lessees, or Contractors	Included	9
Additional Insured – State or Political Subdivisions	Included	10

Duties in the Event of Occurrence, Claim or Suit	Included	10
Unintentional Failure to Disclose Hazards	Included	10
Transfer of Rights of Recovery Against Others To Us	Clarification	10
Liberalization	Included	11
Bodily Injury – includes Mental Anguish	Included	11
Personal and Advertising Injury – includes Abuse of Process, Discrimination	Included	11

A. Extended Property Damage

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions, Paragraph a. is deleted in its entirety and replaced by the following:

a. Expected or Intended Injury

“Bodily injury” or property damage” expected or intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” or “property damage” resulting from the use of reasonable force to protect persons or property.

B. Limited Rental Lease Agreement Contractual Liability

SECTION I – COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions, Paragraph b. Contractual Liability is amended to include the following:

- (3) Based on the named insured’s request at the time of claim, we agree to indemnify the named insured for their liability assumed in a contract or agreement regarding the rental or lease of a premises on behalf of their client, up to \$50,000. This coverage extension only applies to rental lease agreements. This coverage is excess over any renter’s liability insurance of the client.

C. Non-Owned Watercraft

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions, Paragraph g. (2) is deleted in its entirety and replaced by the following:

(2) A watercraft you do not own that is:

- (a) Less than 58 feet long; and
- (b) Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft. This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess or contingent.

D. Damage to Property You Own, Rent or Occupy

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE

LIABILITY, Subsection 2. Exclusions, Paragraph j. Damage to Property, Item (1) is deleted in its entirety and replaced with the following:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property, unless the damage to property is caused by your client, up to a \$30,000 limit. A client is defined as a person under your direct care and supervision.

E. Damage to Premises Rented to You

1. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the word "fire" is changed to "fire, lightning, explosion, smoke, or leakage from automatic fire protective systems" where it appears in:

- a. The last paragraph of SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions; is deleted in its entirety and replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in SECTION III – LIMITS OF INSURANCE.

- b. SECTION III – LIMITS OF INSURANCE, Paragraph 6. is deleted in its entirety and replaced by the following:

Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems while rented to you or temporarily occupied by you with permission of the owner.

- c. SECTION V – DEFINITIONS, Paragraph 9.a., is deleted in its entirety and replaced by the following:

A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

2. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Subsection 4. Other Insurance, Paragraph b. Excess Insurance, (1) (a) (ii) is deleted in its entirety and replaced by the following:

That is insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protective systems for premises rented to you or temporarily occupied by you with permission of the owner;

3. The Damage To Premises Rented To You Limit section of the Declarations is amended to the greater of:

- a. \$1,000,000; or
- b. The amount shown in the Declarations as the Damage to Premises Rented to You Limit.

This is the most we will pay for all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke, or leaks from automatic fire protective systems or any combination thereof.

F. HIPAA

SECTION I – COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, is amended as follows:

1. Paragraph 1. Insuring Agreement is amended to include the following:

We will pay those sums that the insured becomes legally obligated to pay as damages because of a "violation(s)" of the Health Insurance Portability and Accountability Act (HIPAA). We have the right and the duty to defend the insured against any "suit," "investigation," or "civil proceeding" seeking these damages. However, we will have no duty to defend the insured against any "suit" seeking damages, "investigation," or "civil proceeding" to which this insurance does not apply.

2. Paragraph 2. Exclusions is amended to include the following additional exclusions:

This insurance does not apply to:

- a. Intentional, Willful, or Deliberate Violations

Any willful, intentional, or deliberate "violation(s)" by any insured.

- b. Criminal Acts

Any "violation" which results in any criminal penalties under the HIPAA.

- c. Other Remedies

Any remedy other than monetary damages for penalties assessed.

- d. Compliance Reviews or Audits

Any compliance reviews by the Department of Health and Human Services.

3. SECTION V – DEFINITIONS is amended to include the following additional definitions:

- a. "Civil proceeding" means an action by the Department of Health and Human Services (HHS) arising out of "violations."
- b. "Investigation" means an examination of an actual or alleged "violation(s)" by HHS. However, "investigation" does not include a Compliance Review.
- c. "Violation" means the actual or alleged failure to comply with the regulations included in the HIPAA.

G. Medical Payments – Limit Increased to \$20,000, Extended Reporting Period

If COVERAGE C MEDICAL PAYMENTS is not otherwise excluded from this Coverage Part:

1. The Medical Expense Limit is changed subject to all of the terms of SECTION III - LIMITS OF INSURANCE to the greater of:
 - a. \$20,000; or
 - b. The Medical Expense Limit shown in the Declarations of this Coverage Part.
2. SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS, Subsection 1. Insuring Agreement, a. (3) (b) is deleted in its entirety and replaced by the following:
 - (b) The expenses are incurred and reported to us within three years of the date of the accident.

H. Athletic Activities

SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS, Subsection 2. Exclusions, Paragraph e. Athletic Activities is deleted in its entirety and replaced with the following:

e. Athletic Activities

To a person injured while taking part in athletics.

I. Supplementary Payments

SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS - COVERAGE A AND B are amended as follows:

1. b. is deleted in its entirety and replaced by the following:
 1. b. Up to \$5000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these.
- 1.d. is deleted in its entirety and replaced by the following:
 1. d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1,000 a day because of time off from work.

J. Employee Indemnification Defense Coverage

SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B the following is added:

We will pay, on your behalf, defense costs incurred by an “employee” in a criminal proceeding occurring in the course of employment.

The most we will pay for any “employee” who is alleged to be directly involved in a criminal proceeding is \$25,000 regardless of the numbers of “employees,” claims or “suits” brought or persons or organizations making claims or bringing “suits.

K. Key and Lock Replacement – Janitorial Services Client Coverage

SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B is amended to include the following:

We will pay for the cost to replace keys and locks at the “clients” premises due to theft or other loss to keys entrusted to you by your “client,” up to a \$10,000 limit per occurrence and \$10,000 policy aggregate.

We will not pay for loss or damage resulting from theft or any other dishonest or criminal act that you or any of your partners, members, officers, “employees”, “managers”, directors, trustees, authorized representatives or any one to whom you entrust the keys of a “client” for any purpose commit, whether acting alone or in collusion with other persons.

The following, when used on this coverage, are defined as follows:

- a. "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.
- b. "Employee" means:
 - (1) Any natural person:
 - (a) While in your service or for 30 days after termination of service;
 - (b) Who you compensate directly by salary, wages or commissions; and
 - (c) Who you have the right to direct and control while performing services for you; or
 - (2) Any natural person who is furnished temporarily to you:
 - (a) To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or
 - (b) To meet seasonal or short-term workload conditions;
 while that person is subject to your direction and control and performing services for you.
 - (3) "Employee" does not mean:
 - (a) Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (b) Any "manager," director or trustee except while performing acts coming within the scope of the usual duties of an "employee."
- c. "Manager" means a person serving in a directorial capacity for a limited liability company.

L. Additional Insureds

SECTION II – WHO IS AN INSURED is amended as follows:

- 1. If coverage for newly acquired or formed organizations is not otherwise excluded from this

Coverage Part, Paragraph 3.a. is deleted in its entirety and replaced by the following:

a. Coverage under this provision is afforded until the end of the policy period.

2. Each of the following is also an insured:

a. Medical Directors and Administrators – Your medical directors and administrators, but only while acting within the scope of and during the course of their duties as such. Such duties do not include the furnishing or failure to furnish professional services of any physician or psychiatrist in the treatment of a patient.

b. Managers and Supervisors – Your managers and supervisors are also insureds, but only with respect to their duties as your managers and supervisors. Managers and supervisors who are your “employees” are also insureds for “bodily injury” to a co-“employee” while in the course of his or her employment by you or performing duties related to the conduct of your business.

This provision does not change Item 2.a.(1)(a) as it applies to managers of a limited liability company.

c. Broadened Named Insured – Any organization and subsidiary thereof which you control and actively manage on the effective date of this Coverage Part. However, coverage does not apply to any organization or subsidiary not named in the Declarations as Named Insured, if they are also insured under another similar policy, but for its termination or the exhaustion of its limits of insurance.

d. Funding Source – Any person or organization with respect to their liability arising out of:

(1) Their financial control of you; or

(2) Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

e. Home Care Providers – At the first Named Insured's option, any person or organization under your direct supervision and control while providing for you private home respite or foster home care for the developmentally disabled.

f. Managers, Landlords, or Lessors of Premises – Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:

This insurance does not apply to:

(1) Any “occurrence” which takes place after you cease to be a tenant in that premises; or

(2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.

g. Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You – Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or

organization is an insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

- h. Grantors of Permits – Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:
 - (1) This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent or control and to which this insurance applies:
 - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
 - (b) The construction, erection, or removal of elevators; or
 - (c) The ownership, maintenance, or use of any elevators covered by this insurance.
- i. Vendors – Only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
 - (1) The insurance afforded the vendor does not apply to:
 - (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - (b) Any express warranty unauthorized by you;
 - (c) Any physical or chemical change in the product made intentionally by the vendor;
 - (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (i) The exceptions contained in Sub-paragraphs (d) or (f); or
 - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing.
- j. Franchisor – Any person or organization with respect to their liability as the grantor of a franchise to you.
- k. As Required by Contract – Any person or organization where required by a written contract executed prior to the occurrence of a loss. Such person or organization is an additional insured for "bodily injury," "property damage" or "personal and advertising injury" but only for liability arising out of the negligence of the named insured. The limits of insurance applicable to these additional insureds are the lesser of the policy limits or those limits specified in a contract or agreement. These limits are included within and not in addition to the limits of insurance shown in the Declarations
- l. Owners, Lessees or Contractors – Any person or organization, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:
 - (1) Your acts or omissions; or
 - (2) The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured when required by a contract.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- (a) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

m. State or Political Subdivisions – Any state or political subdivision as required, subject to the following provisions:

- (1) This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit, and is required by contract.
- (2) This insurance does not apply to:
 - (a) "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard."

M. Duties in the Event of Occurrence, Claim or Suit

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 2. is amended as follows:

a. is amended to include:

This condition applies only when the "occurrence" or offense is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

b. is amended to include:

This condition will not be considered breached unless the breach occurs after such claim or "suit" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

N. Unintentional Failure To Disclose Hazards

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 6. Representations is amended to include the following:

It is agreed that, based on our reliance on your representations as to existing hazards, if you should unintentionally fail to disclose all such hazards prior to the beginning of the policy period of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

O. Transfer of Rights of Recovery Against Others To Us

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 8. Transfer of Rights of

Recovery Against Others To Us is deleted in its entirety and replaced by the following:

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Therefore, the insured can waive the insurer's rights of recovery prior to the occurrence of a loss, provided the waiver is made in a written contract.

P. Liberalization

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, is amended to include the following:

If we revise this endorsement to provide more coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

Q. Bodily Injury – Mental Anguish

SECTION V – DEFINITIONS, Paragraph 3. Is deleted in its entirety and replaced by the following:

"Bodily injury" means:

- a. Bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and
- b. Except for mental anguish, includes death resulting from the foregoing (Item a. above) at any time.

R. Personal and Advertising Injury – Abuse of Process, Discrimination

If COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE is not otherwise excluded from this Coverage Part, the definition of "personal and advertising injury" is amended as follows:

- 1. SECTION V – DEFINITIONS, Paragraph 14.b. is deleted in its entirety and replaced by the following:

- b. Malicious prosecution or abuse of process;

- 2. SECTION V – DEFINITIONS, Paragraph 14. is amended by adding the following:

Discrimination based on race, color, religion, sex, age or national origin, except when:

- a. Done intentionally by or at the direction of, or with the knowledge or consent of:
 - (1) Any insured; or
 - (2) Any executive officer, director, stockholder, partner or member of the insured;
- b. Directly or indirectly related to the employment, former or prospective employment, termination of employment, or application for employment of any person or persons by an insured;

- c. Directly or indirectly related to the sale, rental, lease or sublease or prospective sales, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured; or
- d. Insurance for such discrimination is prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling.

The above does not apply to fines or penalties imposed because of discrimination.

WAVES, INC.
FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
JUNE 30, 2021
(With Independent Auditor's Report Thereon)

2021

Financial Statements

With Supplementary
Information

WAVES, INC.
FINANCIAL STATEMENTS
JUNE 30, 2021

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WAVES, INC.
ROSTER OF BOARD OF DIRECTORS
JUNE 30, 2021

<u>Tom Stearns, Honorary Board Chair</u>	<u>Jim Gilchriest, Vice President</u>
<u>Jared King, Secretary</u>	<u>Hailey Blank, Director</u>
<u>Denice Demers, Director</u>	<u>Zachary McMillan, Director</u>
<u>Embry Nichols, Director</u>	<u>Roberto Ramirez, Director</u>
<u>Debbie Millhouse Sokol, Director</u>	<u>Trish Stiles, Director</u>
<u>Danielle Williams, Director</u>	<u>Rebekah Zeitlin, Director</u>
<u>George Zubulake, Director</u>	



PATTERSON, HARDEE & BALLENTINE, P.C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Waves, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Waves, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Waves, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 10 to the financial statements, the beginning balance for accumulated depreciation was overstated and required a prior period adjusting entry to correct. Our opinion is not modified with respect to that matter.

Other Matters*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and roster of Board of Directors as required by Tennessee Comptroller of the Treasury Division of Local Government Audit, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, on our consideration of Waves, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Waves, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Waves, Inc.'s internal control over financial reporting and compliance.



December 22, 2021

WAVES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

ASSETS

Current Assets:

Cash	\$ 894,679	
Accounts receivable - state agencies	88,776	
Accounts receivable - other	4,253	
Prepaid expenses	31,941	
Total current assets		\$ 1,019,649

Property and equipment:

Land and Buildings	412,778	
Vehicles	348,909	
Furniture and equipment	74,915	
Less: accumulated depreciation	(631,346)	
Net property and equipment		205,256

Assets Whose Use Is Limited:

Contributions receivable	97,089	
Total assets whose use is limited		97,089
Total Assets		<u>\$ 1,321,994</u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Current portion of long-term debt	\$ 8,810	
Accounts payable	8,786	
Other payables	180,597	
Total current liabilities		\$ 198,193
Total Liabilities		198,193

Net Assets:

Without donor restrictions	1,026,712	
With donor restrictions	97,089	
Total net assets		1,123,801
Total Liabilities and Net Assets		<u>\$ 1,321,994</u>

See accompanying notes to financial statements.

WAVES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public Support and Revenue:			
Gross special event revenue	\$ 24,130	\$ -	\$ 24,130
Less direct costs of special events	-	-	-
Net special events revenue	<u>24,130</u>	<u>-</u>	<u>24,130</u>
Revenues:			
Tennessee DIDD	1,814,163	-	1,814,163
Grants	384,469	-	384,469
Private pay	19,081	-	19,081
TEIS	129,153	-	129,153
Room and board	24,234	-	24,234
Recycle fees	117	-	117
Contributions	104,452	97,089	201,541
In-Kind	60,660	-	60,660
Rental income	14,325	-	14,325
Interest income	16	-	16
Miscellaneous income	1,628	-	1,628
Net assets released from restriction	97,268	(97,268)	-
Total revenues	<u>2,649,566</u>	<u>(179)</u>	<u>2,649,387</u>
Total public support and revenue	2,673,696	(179)	2,673,517
Expenses:			
Program services	2,092,515	-	2,092,515
Management and general	621,765	-	621,765
Fundraising	73,370	-	73,370
Total functional expenses	<u>2,787,650</u>	<u>-</u>	<u>2,787,650</u>
Other gain/(loss):			
Extinguishment of debt	552,980	-	552,980
Loss on disposal of fixed assets	(26,391)	-	(26,391)
Total other gain/(loss)	<u>526,589</u>	<u>-</u>	<u>526,589</u>
Change in net assets	<u>412,635</u>	<u>(179)</u>	<u>412,456</u>
Net assets - beginning of year as previously stated	594,077	97,268	691,345
Prior Period Adjustment	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Net Assets - beginning of year, as restated	<u>614,077</u>	<u>97,268</u>	<u>711,345</u>
Net Assets - end of year	<u>\$ 1,026,712</u>	<u>\$ 97,089</u>	<u>\$ 1,123,801</u>

See accompanying notes to financial statements.

WAVES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	Program Services					Supporting Services		
	Residential Services	Day Services	Employment Services	Early Learning Services	Total Program Services	Management and general	Fundraising	Total
Salaries	\$ 1,048,208	\$ 188,492	\$ 109,498	\$ 267,855	\$ 1,614,053	\$ 395,729	\$ 45,734	\$ 2,055,516
Employee benefits	39,995	-	-	86	40,081	7,025	-	47,106
Payroll taxes	86,217	11,075	3,650	3,264	104,206	21,108	1,149	126,463
Travel and vehicle expense	44,711	23,193	24,873	400	93,177	934	-	94,111
Supplies	23,507	11,766	1,198	990	37,461	20,927	2,706	61,094
Professional services	292	-	-	3,199	3,491	78,732	8,313	90,536
Occupancy	36,159	57,127	10,012	10,012	113,310	33,423	7,454	154,187
Training	-	-	735	2,570	3,305	669	-	3,974
Information technology	18,501	16,932	3,524	13,432	52,389	19,615	7,511	79,515
Miscellaneous	30,926	77	38	1	31,042	2,704	503	34,249
Depreciation	-	-	-	-	-	40,899	-	40,899
Total expenses by function	1,328,516	308,662	153,528	301,809	2,092,515	621,765	73,370	2,787,650
Less expenses included with revenues on the Statement of Activities:								
Direct cost of special events	-	-	-	-	-	-	-	-
Total expenses included in the expense section on the Statement of Activities	\$ 1,328,516	\$ 308,662	\$ 153,528	\$ 301,809	\$ 2,092,515	\$ 621,765	\$ 73,370	\$ 2,787,650

See accompanying notes to financial statements.

WAVES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

Cash Flows From Operating Activities:

Change in net assets \$ 412,456

Adjustments to reconcile change in net assets
to net cash provided by operating activities:

Depreciation	\$	40,899	
Contributed vehicles		(36,000)	
Loss on disposal of fixed assets		26,391	
Extinguishment of debt		(540,402)	
Changes in:			
Accounts receivable - state agencies		132,400	
Accounts receivable - other		1,483	
Prepaid expenses		(12,389)	
Assets whose use is limited		179	
Accounts payable		(766)	
Other payables		2,697	
			(385,508)
Net cash provided by operating activities			26,948

Cash Flows from Investing Activities:

Purchases of property and equipment		(20,694)	
Proceeds from sale of property and equipment		11,000	
Net cash used in investing activities			(9,694)

Cash Flows from Financing Activities:

Payments on installment note payable		(25,263)	
Net cash used in financing activities			(25,263)

Net change in cash (8,009)

Cash - beginning of year 902,688

Cash - end of year \$ 894,679

Supplemental Data:

Noncash investing activities:			
Gifts of vehicles		36,000	

See accompanying notes to financial statements.

WAVES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - Summary of Significant Accounting Policies

Description of Business and Program Services

In these notes, the terms "Organization", "we", "us" or "our" mean Waves, Inc. We are a community organization committed to empowering individuals with intellectual and developmental disabilities to progress toward their full potential. We accomplish this through securing all indicated resources and ensuring their effective use for the individuals we serve. We are further committed to serving as a vehicle for communicating the desires and needs of the persons we serve and to enhance the image of those persons in the community.

Basis of Accounting

The accompanying financial statements have been prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, our net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors. Restrictions fulfilled in the same accounting period in which the contributions are received are reported in the Statement of Activities as net assets without donor restrictions.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Receivables

Accounts receivable consist of noninterest-bearing amounts due for our program services. We determine the allowance for uncollectible accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. There was no balance allowed for doubtful accounts at June 30, 2021. Receivables from contracts with customers are reported as accounts receivable and contract liabilities are reported as deferred revenue in the accompanying financial statements. Contributions receivable are expected to be received within one year at net realizable value.

Revenue Concentration

We receive approximately 55% of our total support and revenue from the Tennessee Department of Finance and Administration – Division of Intellectual Disabilities Services and Bureau of TennCare. In the event of a significant reduction in the level of this support, our programs and activities could be affected.

Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. There were no conditional promises to give at June 30, 2021.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. There were no such balances at June 30, 2021.

WAVES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - Summary of Significant Accounting Policies (continued)

Revenue and Revenue Recognition (continued)

We recognize revenue from our program services when the performance obligations of providing the services detailed in the contracts with the customer are performed. These services include providing assistance and oversight of individuals with disabilities for programs of the Organization as detailed on the statement of functional expenses. The performance obligations are considered met at a point in time for each of these services. Additionally, there were no balances received prior to the completion of performance obligations for the year ending June 30, 2021.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy and utilities which are allocated on a square footage basis. Salaries and wages, benefits, payroll taxes, and professional services are allocated on the basis of time utilization. Office expenses, supplies and information technology as well as insurance is allocated based on usage.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, we consider all investment instruments without donor restrictions with an original maturity date of three months or less to be cash equivalents. At June 30, 2021, we had no cash equivalents.

Property and Equipment

Property and equipment are stated at cost, or if contributed, at fair market value at the date of the gift. Assets with a cost in excess of \$500 are capitalized. Depreciable assets are being depreciated using the straight-line method over the estimated useful lives of the assets, which range from two to thirty years. Maintenance and repairs are charged to expense as incurred.

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable. At June 30, 2021, no assets were considered to be impaired.

Income Taxes

We are a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and are classified as an organization that is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. Therefore, no provision for federal income taxes is included in the accompanying financial statements. We do not believe there are any uncertain tax positions. Further, we do not believe that we have any unrelated business income, which would be subject to federal taxes.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions affecting certain reported amounts and disclosures. Actual results could differ from those estimates.

WAVES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - Availability and Liquidity

Financial assets available for general expenditure within one year of the Statement of Financial Position, consist of the following:

Financial assets for the year ended June 30, 2021:

Cash	\$ 894,679
Accounts receivable	<u>93,029</u>
	<u>\$ 987,708</u>

The Organization has certain donor-restricted assets limited to use which are only available for restricted programs. Accordingly, these assets have been excluded in the qualitative information above.

In the next fiscal year, we plan to receive the same level of contributions, and consider contributions for programs which are ongoing, major, and central to our annual operations to be available to meet cash needs for general expenditures. The Organization has minimal amounts of liabilities in order to maintain most of its financial assets to be readily available. We consider cash to be readily available. We manage our liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. If our analysis of liquid assets reveals inadequate funds for near-term operating needs, we will immediately reduce spending of program and management and general expenditures.

NOTE 3 - Accounts Receivable

We classify accounts receivable into the following categories:

Accounts receivable - state agencies - Amounts represent a request for payment for services rendered under state contracts.

Accounts receivable - other - Amounts represent contracted receivables from various agencies.

Bad debts are recognized using the allowance method based on our evaluation of outstanding accounts. At June 30, 2021, no allowance was considered necessary.

At June 30, 2021, 100% of our accounts receivable were due from state agencies, and 100% of accounts receivable with donor restrictions was due from the United Way.

NOTE 4 - Other Payables

The following is a summary of other payables at June 30, 2021:

Salaries payable	\$ 92,717
Accrued leave payable	83,322
Miscellaneous payables	<u>4,558</u>
	<u>\$ 180,597</u>

WAVES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 – Net Assets With Donor Restrictions

The following is a summary of net assets with donor restrictions at June 30, 2021:

Community Impact Funding	\$ 97,089
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NOTE 6 - Leases

We lease various office equipment and real property under lease arrangements classified as operating leases. We have one operating lease for a copier with monthly payments of \$968 that expires on November 7, 2024. One lease agreement is for our main office in Franklin, Tennessee, which expires in January 2026, with monthly payments varying between \$4,323 and 4,865. We also have an operating lease for another office location in Franklin, Tennessee, which expires June 2022, with monthly payments of \$986. Finally, we have a lease agreement for our location in Fairview, Tennessee. The lease agreement for that location is for one dollar a month. We have estimated the fair value of this donated rent and recorded in-kind revenue and expense for this lease, see NOTE 9.

The following is a schedule of future minimum lease payments under the non-cancellable operating lease (copier) and the lease for our Franklin location as of June 30, 2021:

<u>Year Ending June 30</u>	
2022	\$ 75,970
2023	65,710
2024	67,333
2025	62,226
2026	34,055
	\$ 305,294

NOTE 7 - Employee Benefit Plan

We have a 403(b) retirement plan through Mutual of America that covers all employees who are regularly scheduled to work 1,000 hours or more per year and have worked for one year. We contribute an amount equal to each participating employee's contribution, up to 2% of the employee's compensation for the year. Employees may make contributions to the Plan up to the maximum amount allowed by the Internal Revenue Code if they wish. The amount contributed by us for the year ended June 30, 2021, was \$32,694 .

NOTE 8 - Concentration of Credit Risk

We maintain our cash in bank accounts which, at times, may exceed federally insured limits. We have not experienced any losses in such accounts and do not believe that we are exposed to any significant credit risk on our cash.

NOTE 9 - Donated Facilities

The following donated services have been included in revenues and expenses (occupancy) in the financial statements for the year ended June 30, 2021:

Fairview facility rent	\$ 60,660
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WAVES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 - Prior Period Adjustment

The accumulated depreciation balance reported in the prior year was overstated by \$20,000 and corrected during the year ending June 30, 2021, as shown on the statement of activities.

NOTE 11 - New Pronouncements

In February 2016, FASB issued Accounting Standards Update 2016-02, *Leases (Topic 842)*. The Update provides guidance about recording lease transactions on an organization's statements of financial position and activities. The amendments in this Update are effective for annual periods beginning after December 15, 2021, and for annual periods and interim periods thereafter with early adoption permitted. We are currently evaluating the impact of adopting this statement.

NOTE 12 - Subsequent Events

We have evaluated events subsequent to June 30, 2021. As of December 22, 2021, the date that the financial statements were available to be issued, no other events subsequent to the Statement of Financial Position date are considered necessary to be included in the financial statements for the year ended June 30, 2021.

WAVES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass Through Grantor	Program/Cluster Name	CFDA Number	Contract Number	Passed Through to Subrecipients	Expenditures
<u>Federal Awards</u>					
Pass-through Funding:					
U.S. Department of Education through the TN Department of Education	Special Education - Grants for Infants and Families	84.181A	69640	\$ -	\$ 169,095
Total Program 84.181A					169,095
Federal Transit Administration through the TN Department of Transportation	Enhanced Mobility of Seniors and Individuals with Disabilities (NONCASH)	20.513	N/A	-	36,000
Federal Transit Administration through the TN Department of Transportation	Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	N/A	-	13,768
Total Program 20.513					49,768
<u>COVID Related Awards</u>					
U.S. Department of Treasury through the TN Department of Finance & Administration	Coronavirus Relief Fund	21.019	N/A	-	30,000
Total Program 21.019				-	30,000
U.S. Department of Health and Human Services	Provider Relief Funding	93.498	N/A	-	55,541
Total Program 21.019				-	55,541
TOTAL FEDERAL AWARDS				\$ -	\$ 304,404
<u>State Financial Assistance</u>					
TN Department of Education	Special Education - Grants for Infants and Families	N/A	69640	\$ -	\$ 245,218
TOTAL STATE AWARDS				\$ -	\$ 245,218
TOTAL FEDERAL AND STATE AWARDS				\$ -	\$ 549,622
Note 1 - Basis of Presentation: This schedule was prepared on an accrual basis. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. These grants are 100% through to Waves, Inc., whom assume full audit responsibility. Note 2 - Indirect Cost Rate: Waves, Inc. allocates indirect costs using the Restricted Indirect Cost Rate (RICR) for its contracts. The RICR is calculated using the following, (General Management Costs + Fixed Costs) / Other Expenditures. The RICR applied for the DOE grant only, during the year was 9%.					



PATTERSON, HARDEE & BALLENTINE, P.C.

Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Waves, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Waves, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Waves, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Waves, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Waves, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of current year as item 2021-001 that we consider to be material weaknesses

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Waves, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2021-001.

Waves, Inc.'s Response to Findings

Waves, Inc.'s response to the findings identified in our audit is described in the accompanying Schedule of Current Year Findings and Management's Corrective Action Plan. Waves, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Patterson Handley & Bellentone

December 22, 2021

WAVES, INC.
SCHEDULE OF CURRENT YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Waves, Inc.
2. Material weaknesses were identified during the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. See 2021-001 for description of the material weaknesses identified.
3. One instance of material noncompliance was disclosed during the audit.

FINDINGS—FINANCIAL STATEMENT AUDIT

2021-001

Criteria:	As a part of financial reporting and controls over financial reporting, the Organization should reconcile supporting documentation for all monthly and annual accrued accounts to the general ledger and investigate differences and make adjustments as necessary.
Condition:	Supporting documentation for accounts receivable, fixed assets, prepaid expenses, and salary accrual did not agree to the general ledger at year end and is not being reconciled regularly.
Perspective Information:	Some accrued accounts are being maintained, however most are not and require significant adjustments at year end to properly state the balances.
Cause:	Subsidiary ledgers are not being maintained and reconciled to the general ledger for monthly and annual accrued accounts. The most significant of which is related to accounts receivable, which are currently not recorded when billed.
Effect:	Material adjustments were proposed and recorded as a result of audit procedures, including a prior period adjustment.
Recommendations:	Reconcile the general ledger to supporting documentation for all financial statement balances on a regular basis.
Response:	See Management's Corrective Action Plan



Management's Corrective Action Plan

Issue	Target Date	Plan Action Steps	Progress	Date
Reconcile Supporting documentation to General Ledger	03/31/2022	Reconcile GL to supporting documentation for all balances on a regular basis	Update to be give in monthly management meetings.	

Respectfully submitted,

Lance Jordan
Waves Inc, Executive Director

Additional 2022 Improvement actions:

Business office staff will ensure billing is reconciled with payments for all accounts by end of 2022.

WAVES, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Financial Statement Finding

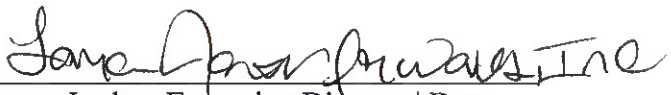
Prior Year Finding Number	Finding Title	Status/Current Year Finding Number
2020-001	Insufficient supporting documentation for DIDD billings	Corrected
2020-002	SSA authorization forms were not maintained by the Organization	Corrected
2020-003	ECF authorization forms were not maintained by the Organization.	Corrected
2020-004	Amounts recorded in the general ledger for accounts receivable and accruals are not being reconciled to supporting documentation.	Repeated/ 2021-001

Management's Corrective Action Plan

Issue	Target Date	Plan Action Steps	Progress	Date
Reconcile supporting documentation to General Ledger	03/31/2022	Reconcile GL to supporting documentation for all balances on a regular basis	Update to be given in monthly management meetings	

Progress of Corrective Action Plan:

The business manager and bookkeeper have implemented a plan in which billing is directly input to Quickbooks and matches payments from the State. The business office is also reconciling General Ledger entries by attaching receipts via scan when possible. Most reoccurring expenses or placeholders have been canceled so that transactions are added in real-time. Moving forward, an internal audit of the General Ledger will occur at the end of each month.


Lance Jordan, Executive Director | Date ~~03/04/2022~~
04/04/2022

Address any reply to: P. O. Box 737, Atlanta, Georgia 30301

Department of the Treasury

District Director

Internal Revenue Service

Date:

FEB 18 1975

In reply refer to:

711-3:GF:5096

▷ Waves, Inc.
Route 1, Adams Drive
Fairview, Tennessee 37062

Gentlemen:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section ~~170(b)(1)(A)(vi)~~ and 509(a)(1).

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If your purposes, character, or method of operation is changed, please let us know so we can consider the effect of the change on your exempt status. Also, you should inform us of all changes in your name or address.

If your gross receipts each year are normally more than \$5,000, you are required to file Form 990, Return of Organization Exempt From Income Tax, by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, for failure to file a return on time.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Please keep this determination letter in your permanent records.

Sincerely yours,



Exempt Organization Specialist

404-526-4516

Tennessee Secretary of State
Tre Hargett



Division of Business Services
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243-1102

Thomas H. Riley, III
Director
February 7, 2022

615-741-2555
Tom.Riley@tn.gov

Lance Jordan
Waves, Inc.
1325 West Main St. Ste 104
Franklin, TN 37064

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes
Waves, Inc. - CO4527
Registration Expiration Date: **December 31, 2022**

Dear Lance Jordan:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS Form 990, Form 990EZ, or 990N for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett
Secretary of State

JC:CO4527



Government Funding Request Form – Fiscal Year 2022-2023

Application for Government Programs Operating within the City of Franklin

Submission Deadline: March 21, 2022

Agency Name: Williamson County Accounting (WIL013)

(List agency name as it appears on the Secretary of State website)

Physical Address: Animal Control, 106 Claude Yates Drive, Franklin, TN 37064

Payment Address: Williamson County Accounting, Animal Control, 1320 W Main Street, Suite 130, Franklin, TN 37064

Tax ID: 62-6000913

Application Contact: Nena Graham	nama.raham@williamsoncounty-tn.gov	615-790-5703
Name	Email	Phone

Total amount of City of Franklin funds being requested for FY2022-2023 \$180,828.00

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Attachments (all attachments are required unless otherwise noted):

NA Annual Audit for the last fiscal year you have concluded Interlocal 2015-0074

☒ City of Franklin Vendor Information form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).

NA Signed statement on entity letterhead providing a brief description of the program that serves the City of Franklin residents and the proposed use of the funding being requested. Interlocal 2015-0074



Government Funding Request Form – Fiscal Year 2022-2023, cont.

Agency: Williamson County Accounting (WIL013)

Nena Graham

02/03/2022

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

Nena Graham

2/3/2022

Signature of (CEO/President/Executive Director/Board Chair)

Date

*Unless contractually negotiated otherwise, any funding approved by the Board of Mayor Alderman will be distributed on an even quarterly basis. Submission of this form is not a guarantee of funding. All funds authorized are done by authority extended by the State and the City's local charter. Approved funding may result in a contract and this form will become an integral part of that contract.

WILLIAMSON COUNTY
ANIMAL CARE - SHARED COSTS WITH CITIES

	Population Totals	Population %	Contribution By Population Total Budget	Current Contribution from Cities
Franklin	83,454	33.6880%	\$ 723,313	\$ 121,976
Williamson County	54,871	22.1499%	\$ 475,578	
Brentwood	45,373	18.3158%	\$ 393,257	\$ 75,498
Spring Hill	33,357	13.4653%	\$ 289,112	\$ 69,558
Fairview	9,357	3.7772%	\$ 81,099	\$ 13,765
Nolensville	13,829	5.5824%	\$ 119,859	\$ 19,089
Thompson's Station	7,485	3.0215%	\$ 64,874	\$ 8,130
	247,726	100.0000%	\$ 2,147,092	\$ 308,016

FY 2021-2022 Animal Control Budget

Salaries	\$1,530,229.00	excludes longevity of \$450.00
Operating	\$616,863.00	
	\$2,147,092.00	

The operating portion of the budget is approximately 25% of the total budget. Per our agreement, Cities would contribute 25% of the total Animal Care Department budget allocated by the percentage of population from the last federal census or special census. The increase would be automatic based on the county budget guidelines. For Fiscal Year 2021-2022, There was a 2% pay increase with mid year adjustments in the previous year of 4%. Based on the agreement, Cities' contribution can not exceed 5% in a year unless there is a change in population based on a special census or the last federal census. Please use the second column for cities' budgeted contribution for 2022-2023 fiscal year.

****This year exceeds 5% due to the federal census.**

	Contribution By Population Total Budget	25% of total budget	Current Contribution from Cities	Current Contr. "+5% 2022-23
Franklin	\$ 723,313	\$ 180,828	\$ 121,976	\$ 128,075
Williamson County	\$ 475,578		\$ -	\$ -
Brentwood	\$ 393,257	\$ 98,314	\$ 75,498	\$ 79,273
Spring Hill	\$ 289,112	\$ 72,278	\$ 69,558	\$ 73,036
Fairview	\$ 81,099	\$ 20,275	\$ 13,765	\$ 14,453
Nolensville	\$ 119,859	\$ 29,965	\$ 19,089	\$ 20,043
Thompson's Station	\$ 64,874	\$ 16,219	\$ 8,130	\$ 8,537
Total	\$ 2,147,092	\$ 417,878	\$ 308,016	\$ 323,417



Government Funding Request Form – Fiscal Year 2022-2023

Application for Government Programs Operating within the City of Franklin
Submission Deadline: March 21, 2022

Agency Name:

(List agency name as it appears on the Secretary of State website)

Physical Address:

Payment Address:

Tax ID:

Application Contact: Catherine Montgomery	catherine.montgomery@tn.gov	615-794-1542
Name	Email	Phone

Total amount of City of Franklin funds being requested for FY2022-2023 \$

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Attachments (all attachments are required unless otherwise noted):

- ☐ Annual Audit for the last fiscal year you have concluded
- ☒ City of Franklin Vendor Information form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☐ Signed statement on entity letterhead providing a brief description of the program that serves the City of Franklin residents and the proposed use of the funding being requested.



Government Funding Request Form – Fiscal Year 2022-2023, cont.

Agency: Williamson County Health Department (WIL022)

Catherine A. Montgomery, Williamson County Health Director

03/04/2022

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

A handwritten signature in blue ink, reading "C. A. Montgomery", is written over a horizontal line.

Signature of (CEO/President/Executive Director/Board Chair)

3.4.2022

Date

*Unless contractually negotiated otherwise, any funding approved by the Board of Mayor Alderman will be distributed on an even quarterly basis. Submission of this form is not a guarantee of funding. All funds authorized are done by authority extended by the State and the City's local charter. Approved funding may result in a contract and this form will become an integral part of that contract.



Government Funding Request Form – Fiscal Year 2022-2023

Application for Government Programs Operating within the City of Franklin
Submission Deadline: March 21, 2022

Agency Name:

(List agency name as it appears on the Secretary of State website)

Physical Address:

Payment Address:

Tax ID:

Application Contact: Amanda Jones	amanda.jones@williamsoncounty-tn.gov	615-224-6086
Name	Email	Phone

Total amount of City of Franklin funds being requested for FY2022-2023 \$

Non-Discrimination

The parties, their agents, officials, employees, and servants shall not discriminate in any manner on the basis of race, color, religion, creed, ethnic or national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a covered veteran, genetic information, and any other category protected by the federal or state civil rights law with respect to the subject matter and related activities of this application.

Attachments (all attachments are required unless otherwise noted):

- ☒ Annual Audit for the last fiscal year you have concluded
- ☐ City of Franklin Vendor Information form (if you are an existing recipient and do not wish to change banking, contact, or address information, this form is not required).
- ☒ Signed statement on entity letterhead providing a brief description of the program that serves the City of Franklin residents and the proposed use of the funding being requested.



Government Funding Request Form – Fiscal Year 2022-2023, cont.

Agency: Williamson County Library (WIL063)

Amanda Jones (designated signee)

03/15/2022

Printed Name of (CEO/President/Executive Director/Board Chair)

Date

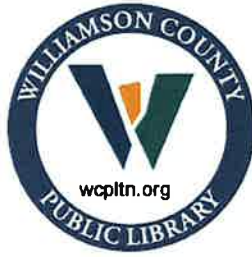
Amanda Jones

3/15/2022

Signature of (CEO/President/Executive Director/Board Chair)

Date

*Unless contractually negotiated otherwise, any funding approved by the Board of Mayor Alderman will be distributed on an even quarterly basis. Submission of this form is not a guarantee of funding. All funds authorized are done by authority extended by the State and the City's local charter. Approved funding may result in a contract and this form will become an integral part of that contract.



March 15, 2022

Kristine Brock, CFO
Assistant City Administrator/CFO
City of Franklin
109 Third Avenue South
Franklin, TN 37064

Dear Ms. Brock:

I would like to request \$64,220 from the City of Franklin to purchase print, audio, and digital format books for the Williamson County Public Library. Unlike the allocated Williamson County funds, which help provide for staffing and operating costs, the City of Franklin's contribution is used exclusively for reading materials.

As the library's service population continues to quickly expand, Franklin residents are relying on us to diversify our offerings to suit their evolving needs. The library will use the City of Franklin funds to continue to enhance both our physical and digital collection in order provide the most recent and relevant resources.

We hope to continue to foster this partnership with the City of Franklin and its residents. Please consider this request as it benefits the majority of the City's taxpayers.

I am happy to discuss it further at your convenience and can be reached at 615-224-6086.

Sincerely,

A handwritten signature in blue ink that reads 'Amanda Jones'. The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Amanda Jones, Finance & Admin Operations Manager

ANNUAL AUDIT –

The Williamson County Public Library is an entity of Williamson County Tennessee Government, and is audited by the State of Tennessee Comptroller's office. FY 21 audited expenses for the Library were \$2,441,330 per page 46 of the State's FY 2021 report on Williamson County (please find attached pages 46 and 228). The complete audit may be accessed online at:

<https://comptroller.tn.gov/content/dam/cot/la/documents/county/2021/FY21WilliamsonAFR.pdf>

Exhibit C-5

Williamson County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare</u>							
Local Health Center	\$ 1,120,228	\$ (2,348)	\$ 35,304	\$ 1,153,184	\$ 1,748,264	\$ 1,823,589	\$ 670,405
Rabies and Animal Control	1,342,078	(42,953)	47,577	1,346,702	1,547,528	1,591,490	244,788
Ambulance/Emergency Medical Services	1,943,624	0	0	1,943,624	1,943,624	1,943,624	0
Other Local Health Services	9,576	0	0	9,576	9,576	9,576	0
Regional Mental Health Center	0	0	0	0	19,000	19,000	19,000
Appropriation to State	103,816	0	0	103,816	103,816	103,816	0
General Welfare Assistance	17,617	0	0	17,617	17,617	17,617	0
Aid to Dependent Children	6,568	(1,681)	0	4,887	11,000	11,000	6,113
Other Local Welfare Services	1,200	0	0	1,200	3,000	3,000	1,800
Other Public Health and Welfare	43,418	(38,481)	6,467	11,404	78,410	74,410	63,006
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	34,098	0	0	34,098	45,464	45,464	11,366
Senior Citizens Assistance	50,521	0	0	50,521	50,521	50,521	0
Libraries	2,441,330	(7,009)	20,161	2,454,482	2,515,144	2,702,841	248,359
Parks and Fair Boards	11,182,991	(151,554)	178,510	11,209,947	14,562,140	14,995,400	3,785,453
Other Social, Cultural, and Recreational	942,096	(14,775)	139,017	1,066,338	1,456,800	1,597,526	531,188
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	412,101	(2,172)	6,837	416,766	569,750	573,756	156,990
Soil Conservation	58,660	0	0	58,660	60,558	61,091	2,431
<u>Other Operations</u>							
Other Economic and Community Development	400,000	0	0	400,000	400,000	400,000	0
Public Transportation	359,360	0	0	359,360	712,930	712,930	353,570
Veterans' Services	19,682	0	0	19,682	45,940	46,365	26,683
Other Charges	4,428,497	(58,544)	59,794	4,429,747	3,839,194	4,958,299	528,552
Employee Benefits	16,973,995	0	0	16,973,995	17,766,512	17,977,107	1,003,112
Miscellaneous	1,938,887	0	0	1,938,887	1,866,880	2,166,880	227,993
Total Expenditures	\$ 98,720,157	\$ (1,393,929)	\$ 2,096,643	\$ 99,422,871	\$ 109,944,915	\$ 116,389,966	\$ 16,947,095

(Continued)

Exhibit K-8

Williamson County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Health and Welfare (Cont.)Other Public Health and Welfare (Cont.)

Office Supplies	\$	5,532	
Uniforms		151	
Other Supplies and Materials		2,955	
In Service/Staff Development		947	
Total Other Public Health and Welfare			\$ 43,418

Social, Cultural, and Recreational ServicesAdult Activities

Contributions	\$	34,098	
Total Adult Activities			34,098

Senior Citizens Assistance

Contributions	\$	50,521	
Total Senior Citizens Assistance			50,521

Libraries

County Official/Administrative Officer	\$	89,341	
Librarians		1,398,217	
Temporary Personnel		9,861	
Part-time Personnel		291,261	
Longevity Pay		13,550	
Communication		30,995	
Contributions		98,115	
Data Processing Services		5,479	
Dues and Memberships		625	
Operating Lease Payments		7,145	
Maintenance and Repair Services - Office Equipment		4,171	
Postal Charges		1,183	
Printing, Stationery, and Forms		1,202	
Other Contracted Services		22,588	
Data Processing Supplies		87,768	
Library Books/Media		255,336	
Office Supplies		8,203	
Periodicals		7,500	
Utilities		81,823	
Other Supplies and Materials		20,941	
In Service/Staff Development		1,993	
Other Charges		4,033	
Total Libraries			2,441,330

Parks and Fair Boards

County Official/Administrative Officer	\$	113,252	
Assistant(s)		2,568,303	
Supervisor/Director		533,092	
Mechanic(s)		45,974	
Clerical Personnel		296,976	
Custodial Personnel		156,439	

(Continued)



File #: 21-03093

DATE: March 31, 2022
TO: Budget & Finance Committee
FROM: Michelle Hatcher, Director of Water Management
SUBJECT:

Budget Presentation - Water Management Fund

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the budget request for the Water Management Fund for FY 2022-2023.

BACKGROUND/STAFF COMMENTS:

Each year, the Budget & Finance Committee reviews the detailed budget of each City Department. At the meetings in February, March, and April, departmental staff makes a presentation of the plans for the next budget cycle and the requested funding for those anticipated needs. This provides the Committee with an idea of the size and scope of budget requests that may be included in the City Administrator's proposed budget, which is typically delivered at the May committee meeting.

Budget materials were still being refined at time of Agenda Finalization. Materials will be provided and updated ahead of the meeting.

FINANCIAL IMPACT:

The financial impact varies by department, depending on the increase in population, the required services, equipment replacement needs, and program enhancements.

RECOMMENDATION:

Staff recommends review of the budget materials. No action is required.



City of Franklin, Tennessee

FY 2023 Operating Budget Request

Program Enhancement Summary

Priority	Request	Compensation	Benefits	Expenses	Total	Funded
Water Management						
1	Consumer Replacement Vehicles	\$ -	\$ -	\$ 446,000	\$ 446,000	
2	Reclass SR WWO to WWO	\$ -	\$ -	\$ -	\$ -	
3	Biosolids Dump Truck	\$ -	\$ -	\$ 170,510	\$ 170,510	
4	Tandem-axle Dump Truck	\$ -	\$ -	\$ 180,510	\$ 180,510	
5	Skidsteer	\$ -	\$ -	\$ 100,000	\$ 100,000	
6	Scissor Lift	\$ -	\$ -	\$ 30,000	\$ 30,000	
Total		\$ -	\$ -	\$ 927,020	\$ 927,020	\$ -
		Compensation	Benefits	Expenses	Total	
Total Requests		\$ -	\$ -	\$ 927,020	\$ 927,020	\$ -

FranklinForward Allocations



A Safe, Clean, Livable City \$ 381,020



A Effective and Fiscally Sound City Government Providing High Quality Service \$ 546,000



Quality Life Experiences \$ -



Sustainable Growth & Economic Prosperity \$ -

Totals \$ 927,020

Traditional Allocations



Personnel \$ -



Operations \$ -



Equipment \$ 927,020



Capital \$ -

Total \$ 927,020

FY 2023 Program Enhancement Request Form

 HISTORIC FRANKLIN TENNESSEE	Intended Year:	2023	Department Priority:	1	of	6
	Department:	52211 UTILITY ADMINISTRATION				
	Division:	WATER MANAGEMENT DEPARTMENT				
	FranklinForward Theme:	An Effective and Fiscally Sound City Government Providing High Quality Service				
	Title:	Consumer Replacement Vehicles				

Purpose: Use this form to spell out your request for additional personnel and/or programs. We will work with you to tally the requests and create a prioritized list.

REQUESTED PROGRAM ENHANCEMENT FUNDING

Account Description	One-Time Cost (FY22 Only)	Ongoing Annual Cost (FY22 & Future)	TOTAL FY22 Request
Compensation			
			\$0
			\$0
Benefits			
<i>Benefits auto-calculated at 30% of compensation -->></i>	\$0	\$0	\$0
Expenses			
89520 VEHICLES (>\$25,000)	\$446,000		\$446,000
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
TOTAL	\$446,000	\$0	\$446,000

PURPOSE / DESCRIPTION OF REQUEST

Water Management Department is requesting funding to replace ten vehicles including three trucks with Service body, six Pickup Trucks and one SUV as part of our annual replacmeent of the fleet.

These ten replacement vehicles will support the Water Management Department Service & Maintenance, Water Reclamation Facility, Water Treatment Plant, Water Reuse and Administration Divisions.

These vehicles have met or exceeded their projected lifecycle for replacement either by age, mileage and/or both.

We are requesting funding for a replacement vehicle for a

2012 Service Truck, Unit #31 has approximately 200,000 miles and has exceeded its projected lifecycle for service with the City.

2013 Service Truck, Unit #37 has approximately 200,000 miles and has exceeded its projected lifecycle for service.

2005 Pick-up Truck, Unit #141, daily usage has taken its toll on this 16-year old pickup. Unit #141 has exceeded its projected lifecycle for service with the City.

2012 Service Truck, Unit #2, this unit has been in service approximately 10-years and has approximately 80,000 miles.

2012 Pick-up Truck, Unit #47, this unit is 10-years old with over 110,000 miles.

2012 Pick-up Truck, Unit #101, approximately 80,000 miles. *Unit #101 has ongoing engine issues.

2011 Pick-up Truck, Unit #348, this unit has over 100,000 miles and has reached its projected lifecycle for replacement.

2011 Pick-up Truck, Unit #306, this unit has over 125,000 miles. *Unit #306 has ongoing engine issues.

2011 Pathfinder, Unit #6, this unit has over 85,000 miles and has exceeded its projected lifecycle with the City.

2014 Equinox, Unit #230, this unit has over 85,000 miles and has reached its projected lifecycle for replacement.

*Water Management Department intends for these vehicles be offered for Gov-deal auction.

SERVICE IMPLICATION

Failure to approve this position will result in lack of attention to these newly upgraded processes in the new facility because

Replacing these older, high-mileage units will contribute to the success of the ongoing day-to-day and future operations of the Water Management Department as well as alleviate some down-time and perhaps recover some fuel costs with more fuel-efficient vehicles.

Failure to fund these vehicles may subsequently hinder the Department's ability to properly or efficiently perform some functions of the overall Water Management Department operations.

It is important to us that we have the appropriate vehicle in place to both perform and respond not only to the Water Management Department's responsibilities but also to the rate payers and residents of the City.

FY 2023 Program Enhancement Request Form

 HISTORIC FRANKLIN TENNESSEE	Intended Year:	2023	Department Priority:	2	of	6
	Department:	52213 SEWER PLANT				
	Division:	Water Reclamation Facility				
	FranklinForward Theme:	A Safe, Clean, Livable City				
	Title:	Reclass Sr. WW Operator to a WW Operator				

Purpose: Use this form to spell out your request for additional personnel and/or programs. We will work with you to tally the requests and create a prioritized list.

REQUESTED PROGRAM ENHANCEMENT FUNDING

Account Description	One-Time Cost (FY22 Only)	Ongoing Annual Cost (FY22 & Future)	TOTAL FY22 Request
Compensation			
81110 REGULAR PAY		\$0	\$0
			\$0
Benefits			
<i>Benefits auto-calculated at 30% of compensation -->></i>	\$0	\$0	\$0
Expenses			
83260 UNIFORMS PURCHASED			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
TOTAL	\$0	\$0	\$0

PURPOSE / DESCRIPTION OF REQUEST

WMD is requesting the reclassification additional staffing for the WRF to operate the new and upgraded WRF. In last budget year, WMD was approved for 3 additional senior operators to be posted January 1, 2022. While those positions have been posted, no qualified applicants have applied. Reclassifying this one position would allow us to move a motivated individual from 3rd shift to 1st shift temporarily while learning the system, and then backfill his position on 3rd shift for daily operations.

SERVICE IMPLICATION

The addition of an operator devoted to the solids operations will allow for greater operational flexibility as a singular operator for each shift will be dedicated to operation of the facility. This will allow for focused attention and specialization on the processes and equipment on the solids side. The WMD would like to bring these operators online in this fiscal year to receive the training and oversight that will be provided during start-up of the expanded facility by the vendors to create ownership and understanding of the tasks they will be performing.

Failure to approve this position will result in lack of attention to these highly upgraded processes in the new facility because current senior operators will be stretched between the liquid and solids processes.

FY 2023 Program Enhancement Request Form

 HISTORIC FRANKLIN TENNESSEE	Intended Year:	2023	Department Priority:	3	of	6
	Department:	52213 SEWER PLANT				
	Division:	Water Reclamation Facility				
	FranklinForward Theme:	A Safe, Clean, Livable City				
	Title:	Biosolids Dump Truck				

Purpose: Use this form to spell out your request for additional personnel and/or programs. We will work with you to tally the requests and create a prioritized list.

REQUESTED PROGRAM ENHANCEMENT FUNDING

Account Description	One-Time Cost (FY22 Only)	Ongoing Annual Cost (FY22 & Future)	TOTAL FY22 Request
Compensation			
81110 REGULAR PAY		\$0	\$0
			\$0
Benefits			
<i>Benefits auto-calculated at 30% of compensation -->></i>	\$0	\$0	\$0
Expenses			
89520 VEHICLES (>\$25,000)	\$165,000		\$165,000
82130 VEHICLES LICENSES & TITLES	\$25		\$25
82610 VEHICLE REPAIR & MAINTENANCE SERVICES		\$810	\$810
83310 GASOLINE & DIESEL FOR FLEET (INSIDE WILLIAMSON)		\$4,400	\$4,400
85117 VEHICLE LIABILITY INSURANCE		\$275	\$275
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
TOTAL	\$165,025	\$5,485	\$170,510

PURPOSE / DESCRIPTION OF REQUEST

WMD is requesting funding for a replacement dump truck for a 2009 Mack, Unit# 151. Unit# 151 has ~380,000 odometer miles and has exceeded the City's projected lifecycle for replacement. Street's Fleet Maintenance Division has performed extensive maintenance and repairs to this vehicle in recent years. This truck transports biosolids approximately 100 miles/trip, five days a week, many days making several trips per day. This replacement vehicle will continue to support the City and the Water Reclamation Facility's ability to transport biosolids for proper disposal.

SERVICE IMPLICATION

A replacement dump truck would increase productivity & efficiency and lessen unscheduled down time for repairs and the potential for roadside break downs. Despite the new WRF solids process coming online in the next year, the need for biosolid disposal will continue based upon the updated process. Replacing this vehicle would contribute to the success of the day-to-day operations of the Water Reclamation Facility. The Clean Water treatment process this vehicle supports requires a reliable vehicle that will allow for rapid response and seamless transport of biosolids. Failure to fund this item may subsequently hinder the Department's ability to properly perform some functions of the overall WMD operations.

FY 2023 Program Enhancement Request Form

 HISTORIC FRANKLIN TENNESSEE	Intended Year:	2023	Department Priority:	4	of	6
	Department:	52212 SEWER COLLECTION				
	Division:	SERVICE DIVISION				
	FranklinForward Theme:	A Safe, Clean, Livable City				
	Title:	Tandem-axle Dump Truck				

Purpose: Use this form to spell out your request for additional personnel and/or programs. We will work with you to tally the requests and create a prioritized list.

REQUESTED PROGRAM ENHANCEMENT FUNDING

Account Description	One-Time Cost (FY22 Only)	Ongoing Annual Cost (FY22 & Future)	TOTAL FY22 Request
Compensation			
81110 REGULAR PAY		\$0	\$0
			\$0
Benefits			
<i>Benefits auto-calculated at 30% of compensation -->></i>	\$0	\$0	\$0
Expenses			
89520 VEHICLES (>\$25,000)	\$175,000		\$175,000
82130 VEHICLES LICENSES & TITLES	\$25		\$25
82610 VEHICLE REPAIR & MAINTENANCE SERVICES		\$810	\$810
83310 GASOLINE & DIESEL FOR FLEET (INSIDE WILLIAMSON)		\$4,400	\$4,400
85117 VEHICLE LIABILITY INSURANCE		\$275	\$275
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
TOTAL	\$175,025	\$5,485	\$180,510

PURPOSE / DESCRIPTION OF REQUEST

This replacement vehicle's costs will be split 50\50 between Wastewater Collections and Water Distribution Divisions. We are requesting a replacement tandem-axle dump truck for a 2002 Freightliner dump truck, Unit# 11. This equipment has approximately 70,000 odometer miles. This vehicle's age is beyond the projected lifecycle for replacement. The replacement vehicle will be used by Service & Maintenance crews performing scheduled repairs & maintenance assignments as well as supporting emergency repairs throughout the City's service area. Maintenance & Repair, parts and services for this piece of equipment are increasingly harder to justify. Street Department's Fleet Maintenance Division has indicated replacement parts are not readily available.

SERVICE IMPLICATION

A replacement unit should alleviate repair and maintenance costs due to unscheduled down time for repairs and most likely improve fuel efficiency. We intend to Gov-deal Unit# 11, the unit this truck will be replacing. The life expectancy of a WMD dump truck is approximately 20-years.

FY 2023 Program Enhancement Request Form

 HISTORIC FRANKLIN TENNESSEE	Intended Year:	2023	Department Priority:	5	of	6
	Department:	52211 UTILITY ADMINISTRATION				
	Division:	RECLAMATION, DISTRIBUTION, COLLECTION				
	FranklinForward Theme:	An Effective and Fiscally Sound City Government Providing High Quality Service				
	Title:	RUBBER-TRACKED SKID STEER				

Purpose: Use this form to spell out your request for additional personnel and/or programs. We will work with you to tally the requests and create a prioritized list.

REQUESTED PROGRAM ENHANCEMENT FUNDING

Account Description	One-Time Cost (FY22 Only)	Ongoing Annual Cost (FY22 & Future)	TOTAL FY22 Request
Compensation			
			\$0
			\$0
Benefits			
<i>Benefits auto-calculated at 30% of compensation -->></i>	\$0	\$0	\$0
Expenses			
89530 MACHINERY & EQUIPMENT (>\$25,000)	\$100,000		\$100,000
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
TOTAL	\$100,000	\$0	\$100,000

PURPOSE / DESCRIPTION OF REQUEST

The WMD is requesting funding to purchase a new rubber-tracked skid steer (96.4 HP) to support the Service Division's operations and maintenance activities throughout the City's service area. The addition of this equipment would be utilized for the maintenance / repair / installation of water, wastewater and reclaim infrastructure.

A rubber-tracked skid steer allows better agility when maneuvering in tight spaces as infrastructure ROW continues to get tighter and the maintenance of older infrastructure increases.

The existing rubber-tired skid steer continues to be used at many repair/maintenance sites but as ROWs continue to shrink, it is being mainly used in the street or on improved surfaces to lessen the amount of after-repair clean up of ruts or torn-up yards routinely seen from existing rubber-tired equipment.

SERVICE IMPLICATION

The addition of this unit will provide assistance and support to current WMD operations and future activities including the maintenance, replacement, repair and relocation of City infrastructure, reducing the amount of repair to yards and other landscaped areas.

FY 2023 Program Enhancement Request Form

 HISTORIC FRANKLIN TENNESSEE	Intended Year:	2023	Department Priority:	6	of	6
	Department:	52213 SEWER PLANT				
	Division:	WATER RECLAMATION, RECLAIM WATER				
	FranklinForward Theme:	A Safe, Clean, Livable City				
	Title:	SCISSOR LIFT				

Purpose: Use this form to spell out your request for additional personnel and/or programs. We will work with you to tally the requests and create a prioritized list.

REQUESTED PROGRAM ENHANCEMENT FUNDING

Account Description	One-Time Cost (FY22 Only)	Ongoing Annual Cost (FY22 & Future)	TOTAL FY22 Request
Compensation			
			\$0
			\$0
Benefits			
<i>Benefits auto-calculated at 30% of compensation -->></i>	\$0	\$0	\$0
Expenses			
89530 MACHINERY & EQUIPMENT (>\$25,000)	\$30,000		\$30,000
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
TOTAL	\$30,000	\$0	\$30,000

PURPOSE / DESCRIPTION OF REQUEST

The WMD is requesting funding to purchase a new scissor lift to support the WRF's onsite operations, maintenance & house-keeping activities, specifically within the newest process buildings.

The addition of this equipment would be utilized for the interior of buildings and to access & assess process equipment located inside those buildings, providing a safer alternative to accessing higher areas. This equipment is also intended to be shared with the WTP in accessing higher building areas typically not accessible for staff by ladder.

WRF requests the equipment be similar to a Genie GS-2032 Slab-scissor lift; Max working height: 26', Capacity:=\>800 pounds weight limit, Operations/Controls on the operational deck,

SERVICE IMPLICATION

The addition of this unit will make available another option to assist and support current WRF operations and future activities including routine in-house maintenance, replacement, repair and repetitive house-keeping tasks not easily or safely accessible by ladder.



File #: 21-03097

DATE: March 31, 2022
TO: Budget & Finance Committee
FROM: Kristine Brock, Asst. City Administrator/CFO
Michael Walters Young, Budget and Analytics Manager

SUBJECT:

Budget Presentation - Hotel/Motel Fund

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the budget request for the Hotel/Motel Fund for FY 2022-2023.

BACKGROUND/STAFF COMMENTS:

Each year, the Budget & Finance Committee reviews the detailed budget of each City Department. At the meetings in February, March, and April, departmental staff makes a presentation of the plans for the next budget cycle and the requested funding for those anticipated needs. This provides the Committee with an idea of the size and scope of budget requests that may be included in the City Administrator's proposed budget, which is typically delivered at the May committee meeting.

FINANCIAL IMPACT:

The financial impact varies by department, depending on the increase in population, the required services, equipment replacement needs, and program enhancements.

RECOMMENDATION:

Staff recommends review of the budget materials. No action is required.



City of Franklin, Tennessee

FY 2023 Operating Budget

Hotel/Motel Tax Fund

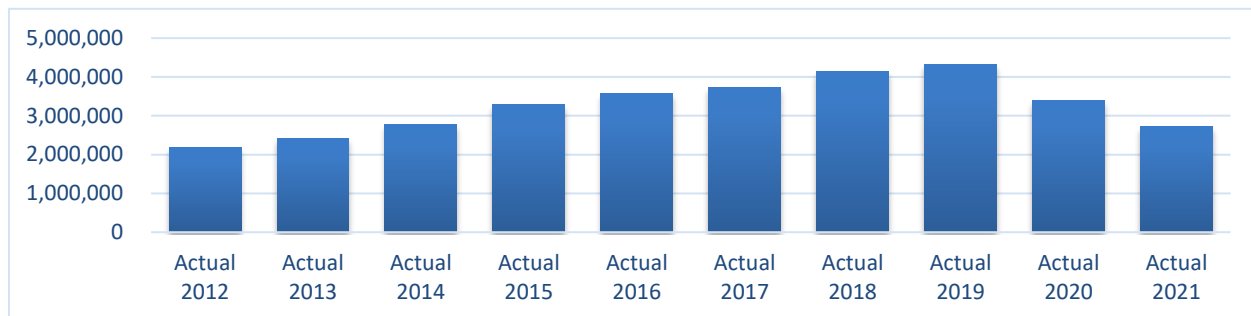
Budget Summary

	2020 Actual	2021 Actual	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	7,671,058	7,503,828	5,927,369	5,927,369	8,359,315		
Revenues	3,390,805	2,728,865	3,594,080	4,745,543	3,457,589	-136,491	-3.8%
Expenditures	3,558,034	4,305,324	2,713,600	2,313,600	5,195,923	2,482,323	91.5%
Ending Balance	7,503,828	5,927,369	6,807,850	8,359,315	6,620,981		

Fund Summary

A special revenue fund used to account for the locally administered tax levied on the occupancy of hotel and motel rooms, in addition to sales tax. The City of Franklin Hotel /Motel Tax is 4%. The fund is used to pay debt service (previously on the Cool Springs Conference Center and now the Harlinsdale and Battlefield parks). Also, the funds are used for tourism. The budget includes 1% of the 4% tax (traditionally based on collections in the previous full calendar year) to support the Williamson County Convention and Visitors Bureau.

The Hotel-Motel Fund budget was affected more than any other fund City-wide by COVID-19 caused economic downturn. Revenues dropped in FY 2020 and bottomed in FY 2021. Revenues for the last 10 years are shown below.



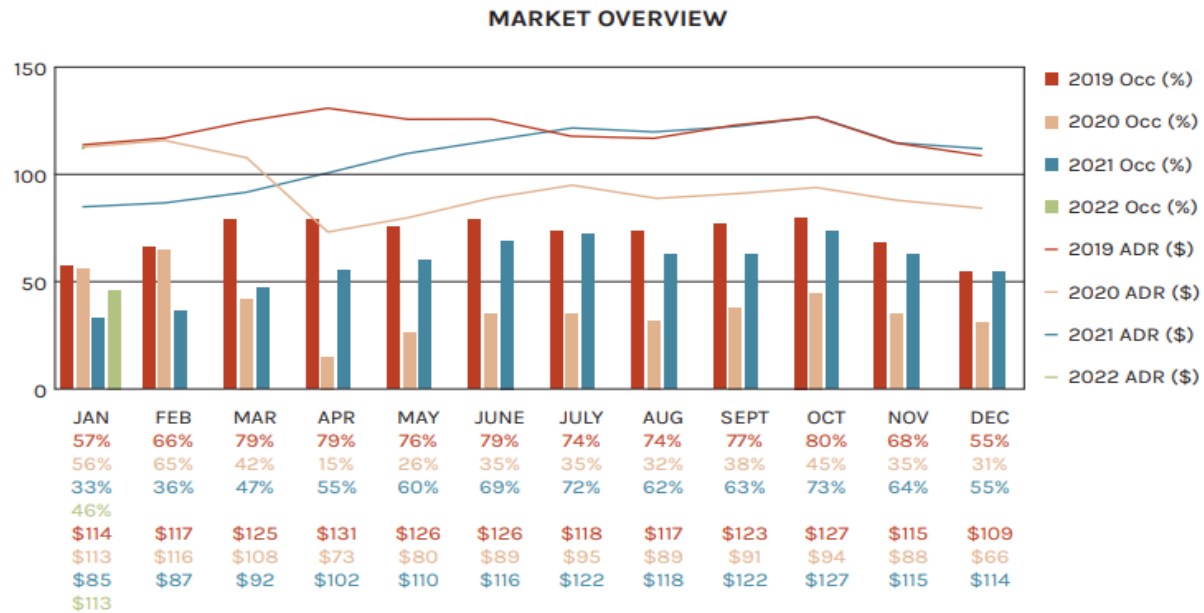
The picture has brightened, however in FY 2022. Hotel stays and occupancy rates have rebounded significantly - as shown through January 2022 on the next page.



City of Franklin, Tennessee

FY 2023 Operating Budget

Hotel/Motel Tax Fund



It should be noted that average daily rate (ADR) for the month January meets pre-pandemic rates in 2019 and 2020. The occupancy rate for January of 2022 was still below pre-pandemic levels. It should be noted that additional hotel rooms have been added to the total inventory (see chart below).

ROOM INVENTORY

	End of 2019	End of 2020	End of 2021	As of January 2022
Total Hotels	44	47	50	51
Total Rooms	5,319	5,681	6,114	6,285



City of Franklin, Tennessee **FY 2023 Operating Budget**

Organizational Chart

There is no organization chart associated with the Hotel/Motel Tax Fund. It is supervised by personnel in the Finance Department.

Staffing by Position

There are no staff formally associated with the Hotel/Motel Tax Fund. It is supervised by personnel in the Finance Department.



City of Franklin, Tennessee

FY 2023 Operating Budget

Budget

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference	
						\$	%
Beginning Fund Balance	7,671,058	7,503,829	5,927,371	5,927,371	8,359,315		
Revenues							
HOTEL/MOTEL TAXES	3,138,814	2,575,830	2,419,080	3,460,344	3,282,589	863,509	35.7%
SHORT TERM RENTAL		133,521	-	135,199	150,000	150,000	100.0%
TRANSFER FROM G/F	-	-	1,150,000	1,150,000		(1,150,000)	-100.0%
INTEREST INCOME	251,991	19,514	25,000	-	25,000	-	0.0%
Total Available Funds	3,390,805	2,728,865	3,594,080	4,745,543	3,457,589	(136,491)	-3.8%
Expenses							
CONTRACTUAL SERVICES	19,986	-	-	-	-	-	0.0%
Permits	-	(3,254)	-	-	-	-	0.0%
REPAIR & MAINT. SERVICES	185	677	250,000	-	-	(250,000)	-100.0%
OPERATING SUPPLIES	52,366	-	-	-	-	-	0.0%
EQUIPMENT <25,000	1,166	-	-	-	-	-	0.0%
INFRASTRUCTURE <100,000	31,899	-	-	-	-	-	0.0%
COOL SPRINGS CONF. CENT.	(133,558)	296,667	150,000	-	-	(150,000)	-100.0%
DEBT SERVICE	12,799	-	-	-	-	-	0.0%
CONTRACTED SERVICES	1,004,428	1,048,577	1,080,243	1,080,243	934,609	(145,634)	-13.5%
TRANSFER TO DEBT SERV. FUND	1,092,153	1,281,521	1,019,071	1,019,071	1,017,451	(1,620)	-0.2%
TRANSFER TO CAPITAL PROJECTS	1,054,870	1,466,850	-	-	3,243,863	3,243,863	0.0%
LAND ACQUISITION	214,286	214,286	214,286	214,286	-	(214,286)	-100.0%
PARKS & RECREATION FACILITIES	137,674	-	-	-	-	-	0.0%
MACHINERY & EQUIPMENT	69,780	-	-	-	-	-	0.0%
Total Expenditures	3,558,034	4,305,324	2,713,600	2,313,600	5,195,923	2,482,323	91.5%
Ending Fund Balance	7,503,829	5,927,371	6,807,852	8,359,315	6,620,982		

Notes & Objectives

Aside from obligations the City has made to service debt, pay for land acquisitions, provide funding for the CVB and sustain ongoing capital project commitments. This year three projects comprise the contribution to the Capital Projects Fund:

- \$500,000 for Bicentennial Park
- \$537,500 for the joint ballfield project with Franklin Special School District
- \$2,206,363 for renovations to the Main Barn at Harlinsdale Park



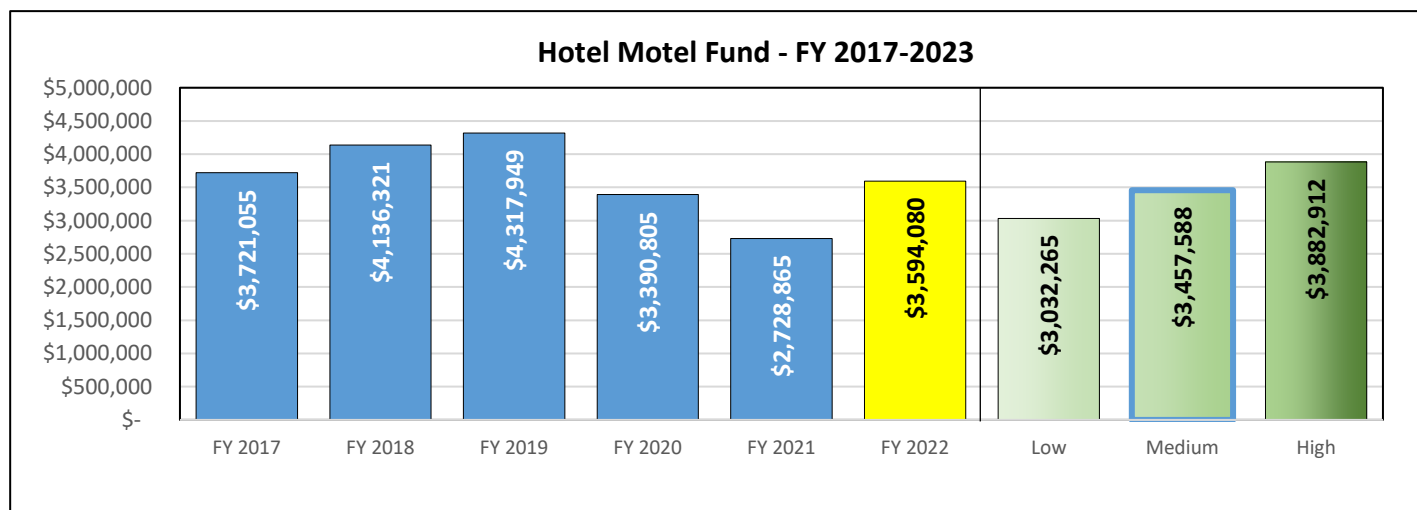
City of Franklin

Revenue Model

Fund:	Hotel Motel Fund	Percent of All Revenues	1.9%
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Hotel Motel Fund: The Hotel/Motel Fund is a special revenue fund used to account for the locally administered tax levied on the occupancy of hotel and motel rooms, in addition to sales tax. The City of Franklin Hotel /Motel Tax is 4%. The fund is used to pay debt service on the Cool Springs Conference Center and the Harlinsdale and Battlefield parks. Also, the funds can be used to support projects and operations related to tourism.

After a decade of solid growth, the COVID-19 pandemic was devastating but not fatal to Franklin's hospitality and tourism industry. Revenues are recovering quicker than anticipated, but more months in 2022 will be necessary to refine our projection.



	Actual					Budget	Forecasts (FY 2023)			Averages
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Low	Medium	High	
% yr/yr.	4.4%	11.2%	4.4%	-21.5%	-19.5%	31.7%	-15.6%	-3.8%	8.0%	
July	359,016	553,391	403,079	358,441	269,777	259,403	282,156	322,464	362,771	3-yr Average
August	299,477	338,006	321,258	335,061	138,563	201,402	224,880	257,006	289,132	\$ 3,479,206
September	335,101	375,008	367,331	379,962	165,973	229,330	257,132	293,865	330,598	-7.2%
October	357,048	387,305	406,690	420,494	209,657	246,292	284,683	325,352	366,021	5-Yr Average
November	276,090	324,040	294,609	318,100	138,935	189,816	206,226	235,687	265,148	\$ 3,658,999
December	214,176	248,608	236,852	261,294	139,075	151,621	165,797	189,482	213,167	-5.1%
January	222,664	225,619	259,796	276,512	136,507	158,569	181,857	207,837	233,816	10-Yr Average
February	255,252	279,126	270,769	319,269	145,247	180,755	189,538	216,615	243,692	\$ 3,315,566
March	341,392	376,573	393,635	201,971	228,613	216,008	275,545	314,908	354,272	-1.8%
April	331,685	362,495	393,281	37,682	270,729	191,894	275,297	314,625	353,953	20-Yr Average
May	353,139	372,611	372,591	75,021	335,339	196,860	260,813	298,073	335,332	\$ 2,243,633
June	365,549	254,913	383,344	155,008	397,414	197,128	268,341	306,675	345,010	1.1%
Short Term Rental Tax					133,521		135,000	150,000	165,000	
Interest Income	10,466	38,626	214,714	251,991	19,514	25,000	25,000	25,000	25,000	
American Rescue Plan Subsidy	0		0		-	1,150,000	-	-	-	
Totals	\$ 3,721,055	\$ 4,136,321	\$ 4,317,949	\$ 3,390,805	\$ 2,728,865	\$ 3,594,080	\$ 3,032,265	\$ 3,457,588	\$ 3,882,912	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2021 & Estimates from Finance & Revenue Management Departments.



City of Franklin, Tennessee
FY 2023 Operating Budget Request

Hotel Motel Fund



City of Franklin, Tennessee - FY 2023 Budget Request

Development/Tourism Funds

Slide 2

Outline

- Hotel/Motel Tax Fund



City of Franklin, Tennessee - FY 2023 Budget Request

Hotel Motel Tax Fund

Slide 3

Purpose of Fund

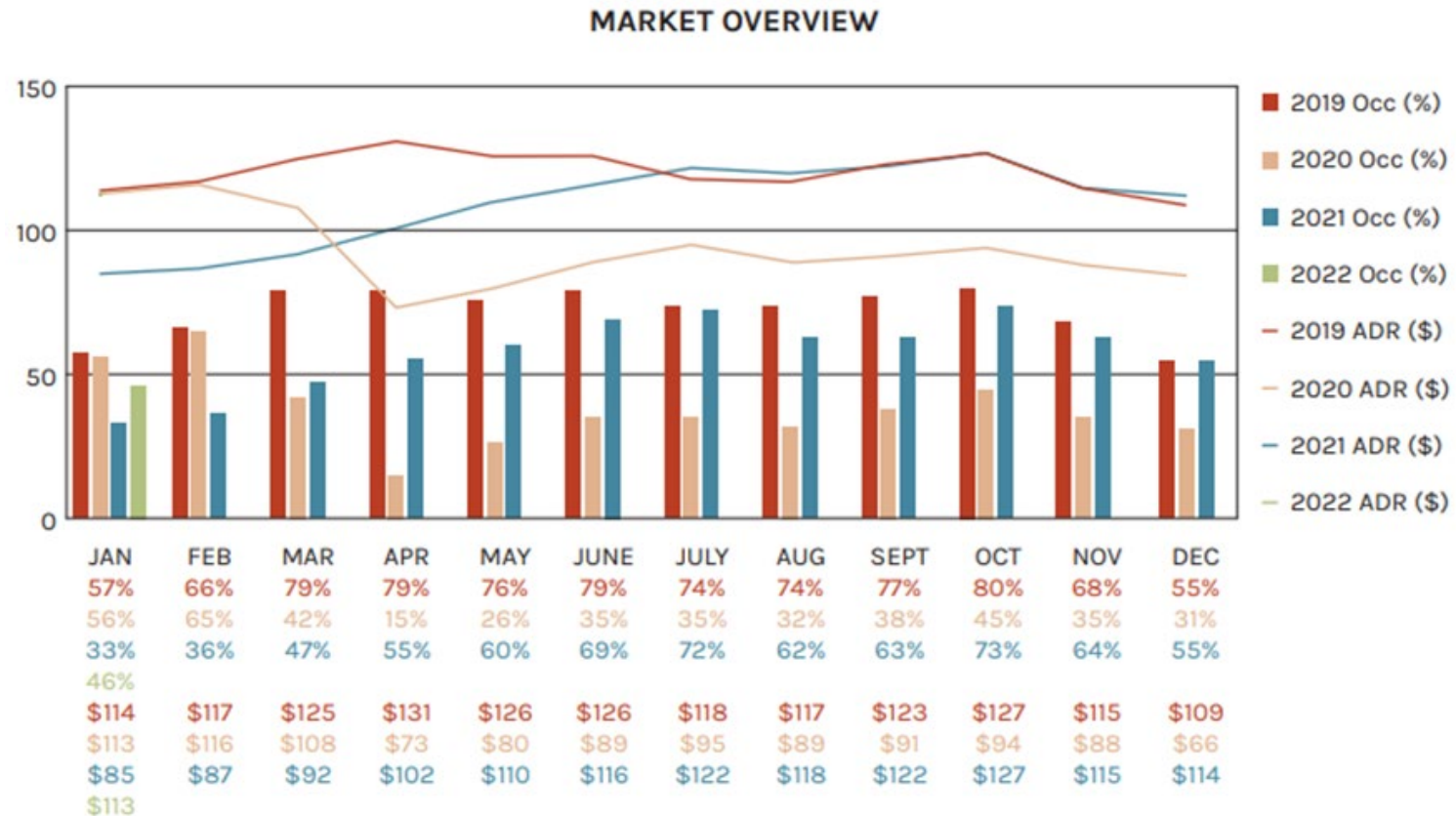
A special revenue fund used to account for the locally administered tax levied on the occupancy of hotel and motel rooms, in addition to sales tax. The City of Franklin Hotel /Motel Tax is 4%. The fund is used to pay debt service on the Cool Springs Conference Center and the Harlinsdale and Battlefield parks. Also, the funds are used for tourism. The budget includes 1% of the 4% tax (based on collections in calendar year 2013) to support the Williamson County Convention and Visitors Bureau.

City of Franklin, Tennessee - FY 2023 Budget Request

Hotel Motel Tax Fund

Slide 4

Overall Performance



City of Franklin, Tennessee - FY 2023 Budget Request

Hotel Motel Tax Fund

Budget Summary

	2020 Actual	2021 Actual	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	7,671,058	7,503,828	5,927,369	5,927,369	8,359,315		
Revenues	3,390,805	2,728,865	3,594,080	4,745,543	3,457,589	-136,491	-3.8%
Expenditures	3,558,034	4,305,324	2,713,600	2,313,600	5,195,923	2,482,323	91.5%
Ending Balance	7,503,828	5,927,369	6,807,850	8,359,315	6,620,981		

The Hotel-Motel Fund budget was the most affected of any City-wide by the COVID-19 caused economic downturn. However, revenues have rebounded nicely in FY 2022 and are approaching pre-pandemic levels years sooner than first thought.

Obligations: Debt Service, Land Acquisitions, Funding for the CVB and ongoing capital project commitments. The three Capital Projects partially funded through FY 2023 Hotel/Motel Appropriations are: 1) \$500,000 for Bicentennial Park, 2) \$537,500 for the joint ballfield project with Franklin Special School District and 3) \$2,206,363 for renovations to the Main Barn at Harlinsdale Park.

Summary:

Forecasts for our Hotel/Motel (Tourism) Fund have dramatically changed over the last three years. Initially (2020) we projected severe losses in revenues in tourist activities for years to come. We now know that tourism suffered severely in 2020 but rebounded somewhat in 2021 and has come back nearly full force in 2022.

With the pandemic hopefully moving on to an endemic, we expect continued rebounding and good collections moving forward.



File #: 21-03096

DATE: March 31, 2022

TO: Budget & Finance Committee

FROM: Michael Walters Young, Budget and Analytics Manager

SUBJECT:

Budget Presentation - Development Funds (City Facilities, County Facilities, Road Impact Fund, Parkland Dedication Fund)

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the budget requests for Development Funds (City Facilities Tax Fund, County Facilities Tax Fund, Road Impact Fund & Parkland Dedication Fund) for FY 2022-2023.

BACKGROUND/STAFF COMMENTS:

Each year, the Budget & Finance Committee reviews the detailed budget of each City Department. At the meetings in February, March, and April, departmental staff makes a presentation of the plans for the next budget cycle and the requested funding for those anticipated needs. This provides the Committee with an idea of the size and scope of budget requests that may be included in the City Administrator's proposed budget, which is typically delivered at the May committee meeting.

FINANCIAL IMPACT:

The financial impact varies by department, depending on the increase in population, the required services, equipment replacement needs, and program enhancements.

RECOMMENDATION:

Staff recommends review of the budget materials. No action is required.



City of Franklin, Tennessee
FY 2023 Operating Budget Request

Development Funds

City Facilities Tax Fund
County Facilities Tax Fund
Road Impact Fund
Parkland Dedication Fund



City of Franklin, Tennessee - FY 2023 Budget Request

Development/Tourism Funds

Slide 2

Outline

- **City Facilities Tax**
- **County Facilities Tax**
- **Road Impact Fund**
- **Parkland Dedication Fund**



City of Franklin, Tennessee - FY 2023 Budget Request

City Facilities Tax Fund

Slide 3

Purpose of Department

The Facilities Tax Fund is a special revenue fund used to account for the proceeds authorized by a private act of the Tennessee General Assembly of 1987 for the City to levy and collect a privilege tax on new development to provide that new development contribute its fair share of providing new public facilities made necessary by growth. Such taxes may be expended only upon police, fire, sanitation, and parks and recreation expenditures. Such expenses can only be spent on public expenditures related to growth; thus new equipment and infrastructure can be funded out of the Facilities Tax fund, but replacement of existing equipment cannot.

City of Franklin, Tennessee - FY 2023 Budget Request

City Facilities Tax Fund

	2020 Actual	2021 EOY	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	15,091,277	10,694,849	11,022,953	11,022,953	13,108,982		
Revenues	3,485,487	3,358,803	2,678,376	2,663,376	3,449,262	770,886	28.8%
Expenditures	7,881,915	3,030,699	577,226	577,347	7,196,745	6,619,519	1146.8%
Ending Balance	10,694,849	11,022,953	13,124,103	13,108,982	9,361,499		

Revenues: \$3,449,262 forecast; **highly dependent** upon what is built and when it is built.

Expenses: \$7,196,745 forecast initially:

- 1) Southeast Municipal Complex Phase I - \$1,500,000,
- 2) Bicentennial Park - \$1,000,000
- 3) Robinson Lake Dam & Park Project - \$4,071,745

This will be revised for the City Administrator's submission in May.



City of Franklin, Tennessee - FY 2023 Budget Request

County Facilities Tax Fund

Slide 5

Purpose of Department

The County Facilities Tax Fund is a new special revenue fund used to account for the City's share of the County's Adequate School Facilities Tax. 30% of the proceeds are distributed to incorporated cities within the county, and another 30% is divided pro rata among the incorporated cities based on population in the last decennial census. The City began collecting a share of the County Facilities Tax in FY 2012.

Prior to FY 2017, monies collected had been deposited within the Capital Projects Fund. Funds are to be used for the purpose of providing public facilities.

City of Franklin, Tennessee - FY 2023 Budget Request

County Facilities Tax Fund

Slide 6

	2020 Actual	2021 Actual	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	3,958,958	3,673,984	4,498,831	4,498,831	5,251,480		
Revenues	1,000,026	949,847	757,649	752,649	913,002	155,353	20.5%
Expenditures	1,285,000	125,000	-	-	600,000	600,000	100.0%
Ending Balance	3,673,984	4,498,831	5,256,480	5,251,480	5,564,482		

Revenues: \$913,002 forecast; highly dependent upon what is built and when it is built.

Expenses: \$600,000 for City's portion of the finalization of the joint City/F.S.S.D. Ballfield Project at Freedom Intermediate/Popular Grove. More may be proposed for funding as the CIP is further reviewed.



City of Franklin, Tennessee - FY 2023 Budget Request

Road Impact Fund

Slide 7

Purpose of Fund

The Road Impact Fund is the special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects.

City of Franklin, Tennessee - FY 2023 Budget Request

Road Impact Fund

	2020 Actual	2021 Actual	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	16,589,763	22,442,977	25,741,274	25,741,274	28,106,957		
Revenues	12,953,558	7,061,745	4,569,728	6,509,000	6,834,314	2,264,586	49.6%
Expenditures	7,100,344	3,763,448	5,893,316	4,143,316	11,927,626	6,034,310	102.4%
Ending Balance	22,442,977	25,741,274	24,417,685	28,106,957	23,013,644		

Revenues: Include estimates for Road Impact Fees collected from Arterial and Collector Roads. These estimates are reduced by 50% over FY 2020, but likely to be reexamined for the May Budget Recommendation.

Expenses: Three parts - \$2.9 million for Debt Service; \$3,000,000 for Road Offset Agreements; \$6,000,000 for components of approved CIP Capital projects: 1) \$1,000,000 - Bicentennial Park, 2) \$1,930,507 - Long Lane & Old Peytonsville Rd (SA2), 3) \$2,720,480 - Jordan Road (SA1), 4) \$392,293 - Church Street (50% SA1, 50% SA2).



City of Franklin, Tennessee - FY 2023 Budget Request

Parkland Dedication Fund

Slide 9

Purpose of Fund

The Parkland Dedication Fund was created in FY 2015 for the purpose of satisfying requirements of Section 5.5.4 of the City of Franklin Zoning Ordinance.

Funds can be used only for the acquisition or development of public parks, greenways/blueways, open space sites, and related facilities.

City of Franklin, Tennessee - FY 2023 Budget Request

Parkland Dedication Fund

	2020 Actual	2021 EOY	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	8,005,878	8,236,553	7,550,662	7,550,662	9,036,662		
Revenues	1,757,183	825,959	1,044,768	1,486,000	1,139,574	94,806	9.1%
Expenditures	1,526,508	1,511,850	-	-	6,900,000	6,900,000	100.0%
Ending Balance	8,236,553	7,550,662	8,595,430	9,036,662	3,276,236		

Revenues: Estimates are based upon analysis of projects currently within the development process in the City which are eligible to pay Parkland Dedication Fees.

Expenses: \$6,900,000 - for three Parks projects already approved in the FY 2022-2031 Capital Investment Program: 1) \$4,000,000 for Liberty Park Improvements, 2) \$2,500,000 - Southeast Municipal Park Project (Q2), and 3) \$400,000 for Bicentennial Park. This list and these amounts will be refined for the City Administrator's recommended budget in May 2022.

City of Franklin, Tennessee - FY 2023 Budget Request

Development/Tourism Funds

Summary:

Forecasts for our Development related funds have had dramatic changes in the last three years. In Spring 2020 we projected severe losses in revenues in both construction and tourist activities. We now know that there was little to now slow down as a result of the pandemic on development activity. As always, regardless of economic times, these funds are, of course, heavily dependent upon private development.

The positive news to report at this time is all of these funds have healthy fund balances, and as result of prudent usage policies and financial management, the City continues to be well prepared for the ongoing uncertainty of the world the economy as a whole.



City of Franklin, Tennessee

FY 2023 Operating Budget

City Facilities Tax Fund

Budget Summary

	2020 Actual	2021 EOY	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	15,091,277	10,694,849	11,022,953	11,022,953	13,108,982		
Revenues	3,485,487	3,358,803	2,678,376	2,663,376	3,449,262	770,886	28.8%
Expenditures	7,881,915	3,030,699	577,226	577,347	7,196,745	6,619,519	1146.8%
Ending Balance	10,694,849	11,022,953	13,124,103	13,108,982	9,361,499		

Fund Summary

The Facilities Tax Fund is a special revenue fund used to account for the proceeds authorized by a private act of the Tennessee General Assembly of 1987 for the City to levy and collect a privilege tax on new development to provide that new development contribute its fair share of providing new public facilities made necessary by growth. Such taxes may be expended only upon police, fire, sanitation, and parks and recreation expenditures. Such expenses can only be spent on public expenditures related to growth; thus new equipment and infrastructure can be funded out of the Facilities Tax fund, but replacement of existing equipment cannot.



City of Franklin, Tennessee

FY 2023 Operating Budget

Organizational Chart

There is no organization chart associated with the Facilities Tax Fund. It is supervised by personnel in the Finance Department.

Staffing by Position

There are no staff formally associated with the Facilities Tax Fund. It is supervised by personnel in the Finance Department.



City of Franklin, Tennessee

FY 2023 Operating Budget

Budget

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference	
						\$	%
Beginning Fund Balance	15,091,277	10,694,849	11,022,953	11,022,953	13,108,982		
Revenues							
FACILITIES TAXES	3,051,110	2,682,395	2,628,376	2,628,376	3,399,262	770,886	29.3%
INTEREST INCOME	434,377	36,408	50,000	35,000	50,000	-	0.0%
CONTRIBUTIONS - OTHERS	-	640,000	-	-	-	-	0
Total Available Funds	3,485,487	3,358,803	2,678,376	2,663,376	3,449,262	770,886	28.8%
Expenses							
Total Public Safety General	-	-	63,000	63,000	-	(63,000)	-100.0%
Total Police	1,576	364	-	-	-	-	0.0%
Total Fire	6,183,981	2,977,045	-	-	-	-	0.0%
Total Parks	1,515,818	53,291	164,280	164,422	7,196,745	7,032,465	4280.8%
Total SW Collection	180,540	-	349,946	349,925	-	(349,946)	-100.0%
Total SW Disposal	-	-	-	-	-	-	0.0%
Total Expenditures	7,881,915	3,030,699	577,226	577,347	7,196,745	6,619,519	1146.8%
Ending Fund Balance	10,694,849	11,022,953	13,124,103	13,108,982	9,361,499		

Notes & Objectives

The forecast for FY 2023 revenues is an estimate based upon anticipated economic conditions. It is **heavily dependent** upon the timing of new development. Should development permits be pulled sooner than anticipated (or delayed), amounts may be higher (or lower) than forecast. This will be significantly revised once we fully determine the impact of the current economic downturn.

Initial FY 2023 City Facilities Tax Fund Appropriations include funding for three Parks related capital projects: \$7,196,745 -1) Southeast Municipal Complex Phase I - \$1,500,000, 2) Bicentennial Park - \$1,000,000 and 3) Robinson Lake Dam & Park Project - \$4,071,745.

This budget will be revised later in April 2022 with adds from PER's and revisions to Capital requests based upon project schedules and bid results.

Regardless of the level of building activity, there is ample fund balance to fund additional capital projects or new equipment for our growing community.



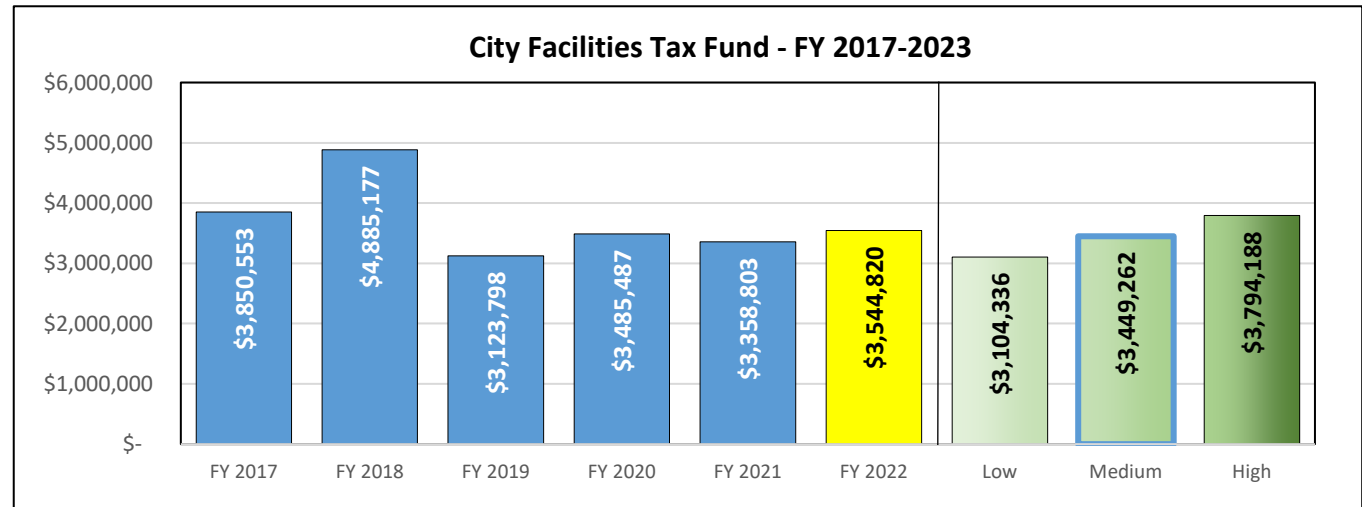
City of Franklin

Revenue Model

Fund:	City Facilities Tax Fund	Percent of All Revenues	1.9%
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City Facilities Tax: A special revenue fund used to account for the proceeds authorized by a private act of the Tennessee General Assembly of 1987 for the City to levy and collect a privilege tax on new development to provide that new development contribute its fair share of providing new public facilities made necessary by growth. Such taxes may be expended only on police, fire, sanitation, and parks and recreation.

The forecast for FY 2023 is an estimate based upon the historic average of the last five-years and year-to-date activity. It is heavily dependent upon the timing of new development. Should development permits be pulled sooner than anticipated (or delayed), amounts may be higher (or lower) than forecast.



	Actual					Budget	Forecasts (FY 2023)			Averages
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Low	Medium	High	
% yr/yr.	-21.2%	26.9%	-36.1%	11.6%	-3.6%	5.5%	-12%	-3%	7%	
July	221,540	202,536	140,513	166,390	137,965	138,348	156,410	173,789	191,168	3-yr Average
August	299,262	649,402	337,384	165,263	567,347	218,010	363,358	403,732	444,105	\$ 3,322,696
September	242,795	635,277	367,428	131,262	106,988	256,536	267,075	296,750	326,425	0.4%
October	663,512	437,274	152,305	685,211	192,828	426,434	383,603	426,226	468,849	5-Yr Average
November	176,544	516,609	163,543	514,554	226,319	286,484	287,562	319,514	351,465	\$ 3,740,764
December	432,916	321,669	269,292	151,610	392,660	182,264	282,266	313,629	344,992	-2.0%
January	180,975	222,051	172,649	97,669	284,889	80,110	172,482	191,647	210,811	10-Yr Average
February	575,155	470,643	110,709	169,431	98,466	280,363	256,393	284,881	313,369	\$ 3,440,618
March	372,318	211,194	108,211	232,369	153,528	145,300	193,972	215,524	237,076	-0.2%
April	140,530	282,850	201,792	260,000	192,471	144,370	193,976	215,529	237,081	20-Yr Average
May	119,466	163,847	418,449	104,027	168,569	126,220	175,384	194,872	214,359	\$ 2,613,980
June	439,440	674,690	168,036	373,324	160,365	343,937	326,854	363,171	399,488	2.8%
Interest Income	(13,900)	97,135	513,487	434,377	36,408	50,000	45,000	50,000	55,000	
Contributions from Others					640,000	866,444				
Totals	\$ 3,850,553	\$ 4,885,177	\$ 3,123,798	\$ 3,485,487	\$ 3,358,803	\$ 3,544,820	\$ 3,104,336	\$ 3,449,262	\$ 3,794,188	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2021 & Estimates from Finance & Revenue Management Departments.

	Account	Label	Actual 2019	Actual 2020	Budget 2021	Actual 2021	Budget 2022	YTD 2022	Estd 2022	Forecast 2023	Forecast 2024	Forecast 2025
		Operations										
I	83530	MACHINERY & EQUIPMENT (<\$25,000)					20,000		30,000			
=	XMEU	TOTAL MACHINERY & EQUIPMENT (<\$25,000)					20,000		30,000			
=	XOP	TOTAL OPERATIONS					20,000		30,000			
		Capital										
I=	89520	VEHICLES (>\$25,000)					43,000		33,000			
=	XMEO	TOTAL MACHINERY & EQUIPMENT (>\$25,000)					43,000		33,000			
=	XCAP	TOTAL CAPITAL					43,000		33,000			
=	XTOT	TOTAL EXPENDITURES					63,000		63,000			

	Account	Label	Actual 2019	Actual 2020	Budget 2021	Actual 2021	Budget 2022	YTD 2022	Estd 2022	Forecast 2023	Forecast 2024	Forecast 2025
		Operations										
	82110	MAILING & OUTBOUND SHIPPING SERVICES	3									
=	XTRC	TOTAL TRANSPORTATION CHARGES	3									
	82250	TESTING & PHYSICALS				478						
-	XOPSV	TOTAL OPERATING SERVICES				478						
	82540	ENGINEERING SERVICES	55,367	5,980								
	82560	CONSULTANT SERVICES				9,598						
=	XCTS	TOTAL CONTRACTUAL SERVICES	55,367	5,980		9,598						
	83299	OTHER OPERATING SUPPLIES	179									
=	XOPS	TOTAL OPERATING SUPPLIES	179									
	83530	MACHINERY & EQUIPMENT (<\$25,000)							24,644			
	83540	COMPUTER HARDWARE (<\$25,000)	337			(695)						
=	XMEU	TOTAL MACHINERY & EQUIPMENT (<\$25,000)	337			(695)			24,644			
	83620	EQUIPMENT PARTS & SUPPLIES	28	25								
	83654	GROUPS MAINTENANCE SUPPLIES	401									
=	XRMS	TOTAL REPAIR & MAINTENANCE SUPPLIES	429	25								
	85240	EQUIPMENT RENTAL & LEASES	60									
=	XRENT	TOTAL RENTALS	60									
	85530	E-COMMERCE FEES				173		142	142			
=	XFLF	TOTAL FINANCIAL FEES				173		142	142			
	88100	TRANSFER TO CAPITAL IMPROVEMENT BONDS		1,483,942								
=	XTRAN	TOTAL TRANSFERS		1,483,942								
=	XOP	TOTAL OPERATIONS	56,375	1,489,947		9,554		142	24,786			
		Capital										
!+	89310	PARKS & RECREATION FACILITIES								7,196,745	3,500,000	
1		Southeast Municipal Complex Phase I								1,500,000	2,500,000	
2		Bicentennial Park								1,625,000	1,000,000	
3		Robinson Lake Dam & Park Project								4,071,745		
*		Amount missing from detail										
+=	89520	VEHICLES (>\$25,000)		25,871		43,737	85,000		60,356			
	89530	MACHINERY & EQUIPMENT (>\$25,000)			32,000		79,280	36,680	79,280			
=	XMEO	TOTAL MACHINERY & EQUIPMENT (>\$25,000)		25,871	32,000	43,737	164,280	36,680	139,636			
=	XCAP	TOTAL CAPITAL		25,871	32,000	43,737	164,280	36,680	139,636			
=	XTOT	TOTAL EXPENDITURES	56,375	1,515,818	32,000	53,291	164,280	36,822	164,422			

	Account	Label	Actual 2019	Actual 2020	Budget 2021	Actual 2021	Budget 2022	YTD 2022	Estd 2022	Forecast 2023	Forecast 2024	Forecast 2025
		Operations										
	82130	VEHICLE LICENSES & TITLES					20					
=	XTRC	TOTAL TRANSPORTATION CHARGES					20					
	82250	TESTING & PHYSICALS	465									
=	XOPSV	TOTAL OPERATING SERVICES	465									
=	XOP	TOTAL OPERATIONS	465				20					
		Capital										
+=	89520	VEHICLES (>\$25,000)	348,733	180,540			349,926		349,925			
	1	FY 2019 PER - Add New Automated Side Loader	306,278									
	2	FY 2020 PER - New Knuckleboom										
!	3	Automated Side Loader					349,926		349,925			
	4	Line Item 4	42,455	180,540								
	*	Amount missing from detail										
=	XMEO	TOTAL MACHINERY & EQUIPMENT (>\$25,000)	348,733	180,540			349,926		349,925			
=	XCAP	TOTAL CAPITAL	348,733	180,540			349,926		349,925			
=	XTOT	TOTAL EXPENDITURES	349,198	180,540			349,946		349,925			



City of Franklin, Tennessee

FY 2023 Operating Budget

County Facilities Tax Fund

Budget Summary

	2020 Actual	2021 Actual	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	3,958,958	3,673,984	4,498,831	4,498,831	5,251,480		
Revenues	1,000,026	949,847	757,649	752,649	913,002	155,353	20.5%
Expenditures	1,285,000	125,000	-	-	600,000	600,000	100.0%
Ending Balance	3,673,984	4,498,831	5,256,480	5,251,480	5,564,482		

Fund Summary

The County Facilities Tax Fund is a new special revenue fund used to account for the City's share of the County's Adequate School Facilities Tax. 30% of the proceeds are distributed to incorporated cities within the county, and another 30% is divided pro rata among the incorporated cities based on population in the last decennial census. The City began collecting a share of the County Facilities Tax in FY 2012.

Prior to FY 2017, monies collected had been deposited within the Capital Projects Fund. Funds are to be used for the purpose of providing public facilities.



City of Franklin, Tennessee **FY 2023 Operating Budget**

Organizational Chart

There is no organization chart associated with the County Facilities Tax Fund. It is supervised by personnel in the Finance Department.

Staffing by Position

There are no staff formally associated with the County Facilities Tax Fund. It is supervised by personnel in the Finance Department.



City of Franklin, Tennessee

FY 2023 Operating Budget

Budget

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference	
						\$	%
Beginning Fund Balance	3,958,958	3,673,984	4,498,831	4,498,831	5,251,480		
Revenues							
COUNTY FACILITY TAX	889,427	935,555	742,649	742,649	898,002	155,353	20.9%
INTEREST INCOME	110,599	14,292	15,000	10,000	15,000	-	0.0%
Total Available Funds	1,000,026	949,847	757,649	752,649	913,002	155,353	20.5%
Expenses							
CAPITAL	1,285,000	125,000	-	-	600,000	600,000	0.0%
Total Expenditures	1,285,000	125,000	-	-	600,000	600,000	0.0%
Ending Fund Balance	3,673,984	4,498,831	5,256,480	5,251,480	5,564,482		

Notes & Objectives

The County Facilities Tax Fund has been used to support capital projects within the City of Franklin which are related to or assist in the completion of County-owned facilities. In FY 2019, the \$1,750,000 appropriated from the fund went to support the 96W Trail project. In FY 2020, \$1,285,000 was appropriated as a transfer to the Water Management Fund for the completion of the Henpeck Lane Sanitary Sewer Extension. \$125,000 is budgeted in FY 2021 to continue joint work on a sidewalk with F.S.S.D and the City of Franklin.

Initial FY 2023 funding appropriations include: \$600,000 for City's portion of the finalization of the joint City/F.S.S.D. Ballfield Project at Freedom Intermediate/Popular Grove. More may be proposed for funding as the CIP is further reviewed.



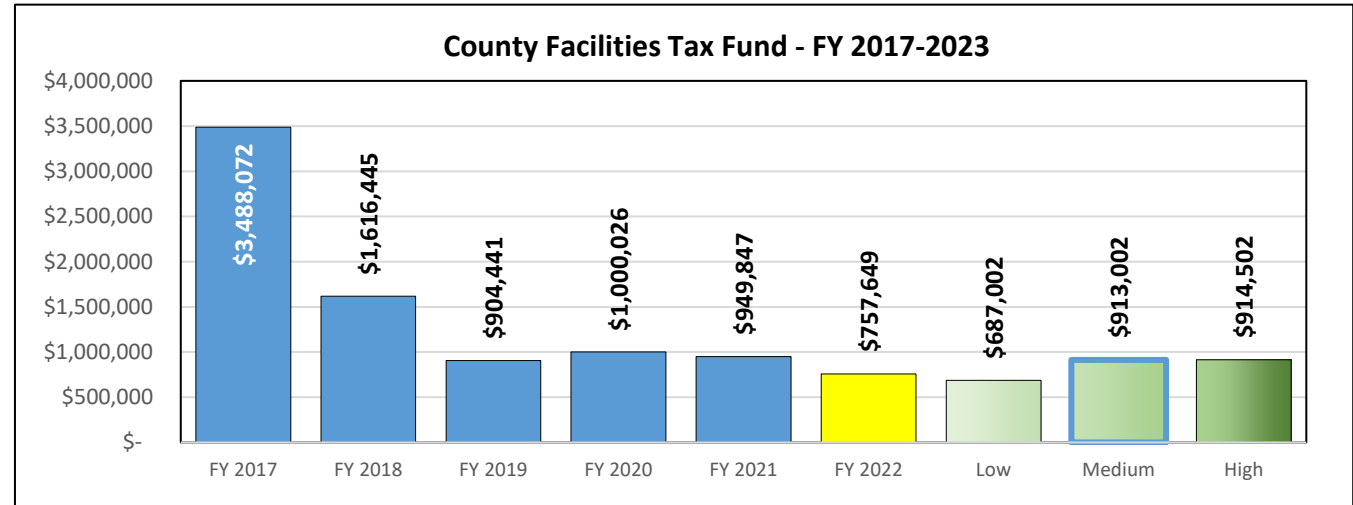
City of Franklin

Revenue Model

Fund:	County Facilities Tax Fund	Percent of All Revenues	0.5%
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County Facilities Tax: The County Facilities Tax Fund is a brand new special revenue fund used to account for the City's share of the County's Adequate School Facilities Tax. 30% of the proceeds are distributed to incorporated cities within the county, and another 30% is divided pro rata among the incorporated cities based on population in the last decennial census. The City began collecting a share of the County Facilities Tax in FY 2012. Prior to now monies collected had been deposited within the Capital Projects Fund. Funds are to be used for the purpose of providing public facilities.

The forecast is heavily dependent upon the timing of new development. Should development permits be pulled sooner than anticipated (or delayed), amounts may be higher (or lower) than forecast.



	Actual					Budget Forecasts (FY 2023)				Averages
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Low	Medium	High	
% yr/yr.	n/a	-53.7%	-44.0%	10.6%	-5.0%	-20.2%	-9.3%	20.5%	20.7%	3-yr Average
Tax Collections	-	971,814	759,874	889,427	935,555	742,649	673,502	898,002	898,002	\$ 1,173,637
Transfer from Capital Fund	3,487,056	635,074	-	-	-	-	-	-	-	-6.4%
Interest Income	1,016	9,557	144,567	110,599	14,292	15,000	13,500	15,000	16,500	
Totals	\$ 3,488,072	\$ 1,616,445	\$ 904,441	\$ 1,000,026	\$ 949,847	\$ 757,649	\$ 687,002	\$ 913,002	\$ 914,502	

Source: City of Franklin, Comprehensive Annual Financial Report - 2017-2021 & Estimates from Finance & Revenue Management Departments.

Page 1

	Account	Label	Actual 2019	Actual 2020	Budget 2021	Actual 2021	Budget 2022	YTD 2022	Estd 2022	Forecast 2023	Forecast 2024	Forecast 2025
	89500	EQUIPMENT (>\$25,000)										
=	XTOT	TOTAL EXPENDITURES				125,000				600,000		



City of Franklin, Tennessee

FY 2023 Operating Budget

Road Impact Fund

Budget Summary

	2020	2021	2022		2023	2022 v. 2023	
	Actual	Actual	Budget	EOY	Budget	\$	%
Beginning Fund Balance	16,589,763	22,442,977	25,741,274	25,741,274	28,106,957		
Revenues	12,953,558	7,061,745	4,569,728	6,509,000	6,834,314	2,264,586	49.6%
Expenditures	7,100,344	3,763,448	5,893,316	4,143,316	11,927,626	6,034,310	102.4%
Ending Balance	22,442,977	25,741,274	24,417,685	28,106,957	23,013,644		

Fund Summary

The Road Impact Fund is the special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects.

The budget anticipates nearly \$12 million in expenditures - \$5.9 million in "routine" expenditures, part in the form of a transfer to the debt service fund and part in the form of Road Impact Offset agreement payments and the balance in Capital expenditures for approved Capital Investment Projects.

Additional funds maybe transferred to support capital projects, but that decision is dependent upon ongoing economic conditions and needs for the Capital Investment Program. This will likely not occur until later in FY 2022.



City of Franklin, Tennessee **FY 2023 Operating Budget**

Organizational Chart

There is no organization chart associated with the Road Impact Fund. It is supervised by personnel in the Finance Department.

Staffing by Position

There are no staff formally associated with the Road Impact Fund. It is supervised by personnel in the Finance Department.



City of Franklin, Tennessee

FY 2023 Operating Budget

Budget

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference	
						\$	%
Beginning Fund Balance	16,589,763	22,442,977	25,741,274	25,741,274	28,106,957		
Revenues							
ROAD IMPACT FEES - ARTERIAL	7,359,092	4,061,173	3,000,000	3,000,000	4,969,260	1,969,260	65.6%
ROAD IMPACT FEES - COLLECTOR	4,892,060	2,913,980	1,519,728	3,459,000	1,826,429	306,701	20.2%
INTEREST INCOME	702,406	86,592	50,000	50,000	38,625	(11,375)	-22.8%
Total Available Funds	12,953,558	7,061,745	4,569,728	6,509,000	6,834,314	2,264,586	0.0%
Expenses (Operations)							
TRANSFER TO DEBT SERVICE FUND	2,636,421	2,730,454	2,893,316	2,893,316	2,884,346	(8,970)	-0.3%
TRANSFER TO CAPITAL FUND	2,340,415	100,000	-	-	-	-	0.0%
DEBT SERVICE FEES	38,728	-	-	-	-	-	0.0%
CAPITAL PROJECTS	99,875	43,968	-	-	6,043,280	6,043,280	100.0%
ROAD IMPACT OFFSET AGREEMENTS	1,984,905	889,026	3,000,000	1,250,000	3,000,000	-	0.0%
Total Expenditures	7,100,344	3,763,448	5,893,316	4,143,316	11,927,626	6,034,310	102.4%
Ending Fund Balance	22,442,977	25,741,274	24,417,685	28,106,957	23,013,644		

Notes & Objectives

The revenue forecast for FY 2023 is an estimate based upon historic averages and year-to-date activity. It is **heavily dependent** upon the timing of new development. Should development permits be pulled sooner than anticipated (or delayed), amounts may be higher (or lower) than forecast.

Expenses are both highly predictable and unpredictable. On the one hand, the transfer to the Debt Service Fund is set annually. But payments back to developers who have met the conditions of Road Impact Offset Agreements depend greatly on the speed of development and if the offset is necessary.

In addition for For FY 2023, initial appropriation request from the Road Impact Fund provides partial funding for four projects on the FY 2022-2031 Capital Investment Plan: 1) \$1,000,000 - Bicentennial Park, 2) \$1,930,507 - Long Lane & Old Peytonsville Rd (SA2), 3) \$2,720,480 - Jordan Road (SA1), 4) \$392,293 - Church Street (50% SA1, 50% SA2). Additional funds to support ongoing funding commitments for BOMA approved projects within the 2022-2031 CIP will be available and amendments to this budget are likely in FY 2023.



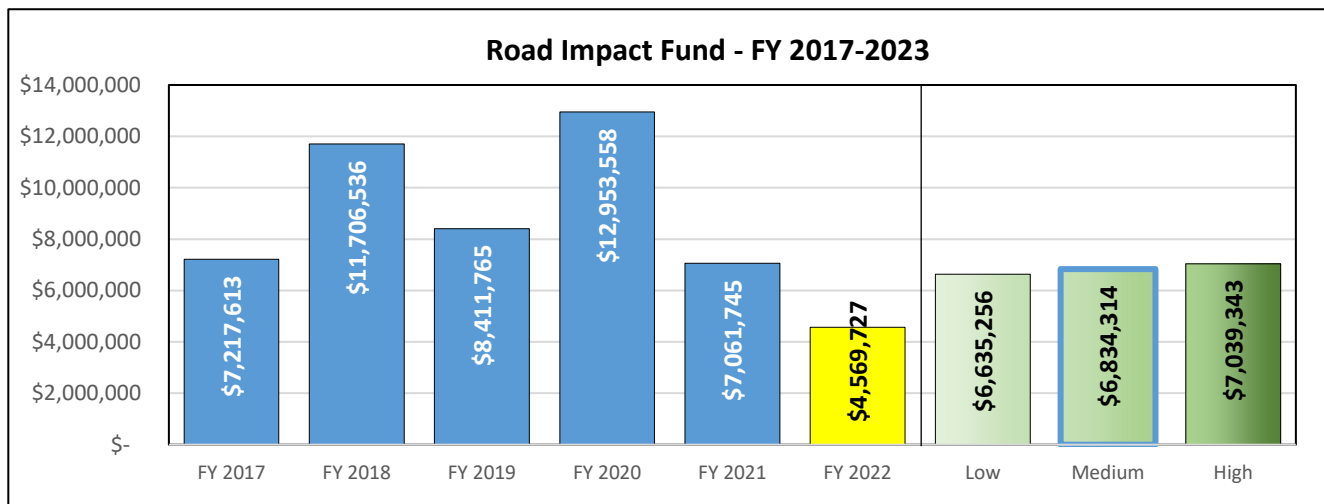
City of Franklin

Revenue Model

Fund:	Road Impact	Percent of All Revenues	3.8%
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Road Impact Fund: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011 and revised in 2017.

The forecast for FY 2023 is an estimate based upon historic averages **and** year-to-date activity. It is *heavily dependent* upon the timing of new development. Should development permits be pulled sooner than anticipated (or delayed), amounts may be higher (or lower) than forecast.



	Actual					Budget	Forecasts (FY 2023)			Averages
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Low	Medium	High	
% yr/yr.	-5.0%	62.2%	-28.1%	54.0%	-45.5%	-35.3%	45.2%	49.6%	54.0%	3-yr Average
Road Impact Fees										\$ 9,475,689
Arterials	7,180,150	11,084,375	4,800,171	7,359,093	4,061,173	3,000,000	4,824,524	4,969,260	5,118,338	-8.5%
Collector Area 1		59,923	1,057,313	1,200,036	8,484	421,176	412,040	424,401	437,133	5-Yr Average
Collector Area 2		251,474	1,286,317	3,118,014	1,326,079	846,216	1,024,215	1,054,942	1,086,590	\$ 9,470,244
Collector Area 3		189,728	400,237	472,760	573,304	193,156	274,378	282,609	291,087	-5.1%
Collector Area 4		-	115,817	101,249	57,615	59,179	62,599	64,477	66,411	10-Yr Average
Road Impact Credits	-	-	-	-	-	-	-	-	-	\$ 7,296,046
Interest Income	27,363	121,036	500,492	702,406	86,592	50,000	37,500	38,625	39,784	-0.6%
Transfer from General Fund	-	-	251,418	-	-	-	-	-	-	
Miscellaneous Income	10,100	-	-	-	948,498	-	-	-	-	
Totals	\$ 7,217,613	\$ 11,706,536	\$ 8,411,765	\$ 12,953,558	\$ 7,061,745	\$ 4,569,727	\$ 6,635,256	\$ 6,834,314	\$ 7,039,343	

Source: City of Franklin, Annual Comprehensive Financial Reports - 2001-2021 & Estimates from Finance & Revenue Management Departments.



City of Franklin, Tennessee

FY 2023 Operating Budget

Parkland Dedication Fund

Budget Summary

	2020 Actual	2021 EOY	2022		2023 Budget	2022 v. 2023	
			Budget	EOY		\$	%
Beginning Fund Balance	8,005,878	8,236,553	7,550,662	7,550,662	9,036,662		
Revenues	1,757,183	825,959	1,044,768	1,486,000	1,139,574	94,806	9.1%
Expenditures	1,526,508	1,511,850	-	-	6,900,000	6,900,000	100.0%
Ending Balance	8,236,553	7,550,662	8,595,430	9,036,662	3,276,236		

Fund Summary

The Parkland Dedication Fund was created in FY 2015 for the purpose of satisfying requirements of Section 5.5.4 of the City of Franklin Zoning Ordinance.

Funds can be used only for the acquisition or development of public parks, greenways/blueways, open space sites, and related facilities.



City of Franklin, Tennessee **FY 2023 Operating Budget**

Organizational Chart

There is no organization chart associated with the Parkland Dedication Fund. It is supervised by personnel in the Parks and Finance Departments.

Staffing by Position

There are no staff formally associated with the Parkland Dedication Fund. It is supervised by personnel in the Parks and Finance Departments.



City of Franklin, Tennessee

FY 2023 Operating Budget

Budget

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference \$	%
Beginning Fund Balance	8,005,878	8,236,553	7,550,662	7,550,662	9,036,662		
Revenues							
In Lieu of Parkland Receipts	1,464,200	800,544	1,024,768	1,517,000	1,134,574	109,806	10.7%
Interest Income	292,983	25,415	20,000	(31,000)	5,000	(15,000)	-75.0%
Total Available Funds	1,757,183	825,959	1,044,768	1,486,000	1,139,574	94,806	9.1%
Expenses (Operations)							
Transfer to Capital Projects	1,526,508	1,511,850	-	-	6,900,000	6,900,000	100.0%
Total Expenditures	1,526,508	1,511,850	-	-	6,900,000	6,900,000	100.0%
Ending Fund Balance	8,236,553	7,550,662	8,595,430	9,036,662	3,276,236		

Notes & Objectives

The first receipts into the fund were recorded in FY 2015. There is no additional history before this fiscal year. Estimates are based upon analysis of projects currently within the development process in the City which are eligible to pay Parkland Impact Fees.

This fund is available for capital projects pertaining to public parks, greenways/blue ways and open space. Funds have been reserved for future use and will be recommended as a funding source for parks projects contained within the BOMA FY 2019-2028 Capital Improvements Project prioritizations.

The \$1,526,508 shown in FY 2020 was transferred to Capital Projects Fund for design of several parks related projects. The \$1,511,850 shown in FY 2021 was for a transfer to continue to the joint project for F.S.D, City of Franklin athletic field improvements and a greenway near Harlinsdale Farm.

For FY 2023 the proposed appropriation of \$6,900,000 is for three Parks projects already approved in the FY 2022-2031 Capital Investment Program: 1) \$4,000,000 for Liberty Park Improvements, 2) \$2,500,000 - Southeast Municipal Park Project (Q2), and 3) \$400,000 for Bicentennial Park. This list and these amounts will be refined for the City Administrator's recommended budget in May 2022.



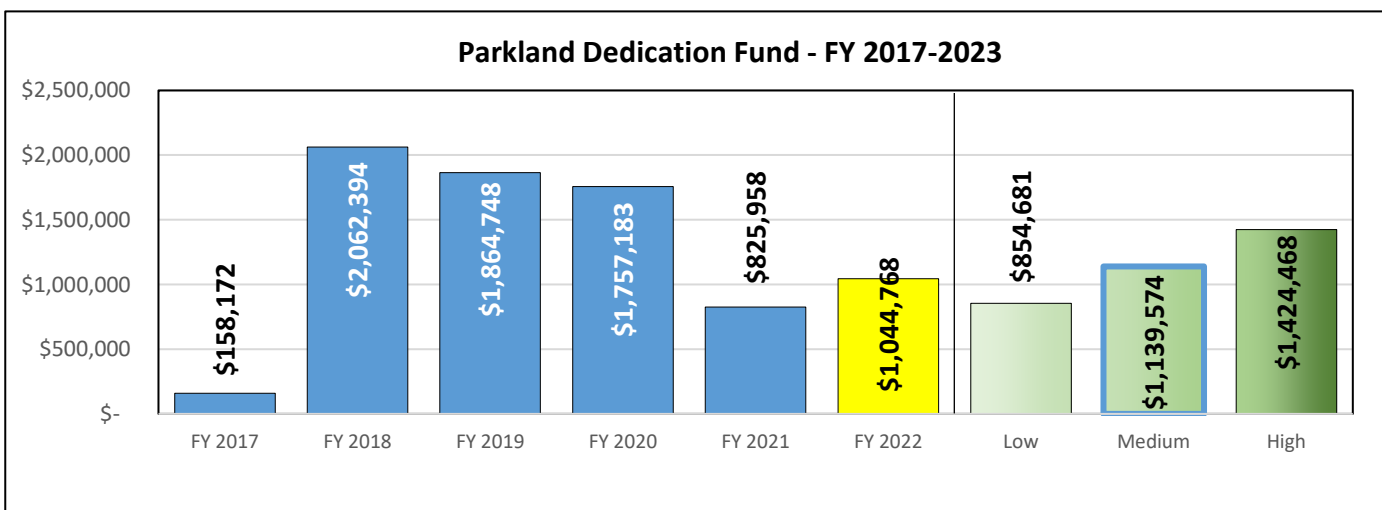
City of Franklin

Revenue Model

Fund:	Parkland Dedication Fund	Percent of All Revenues	0.6%
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Parkland Dedication Fund: The Parkland Dedication Fund was created in FY 2015 for the purpose of satisfying requirements of Section 5.5.4 of the City of Franklin Zoning Ordinance for developers seeking alternatives to the development of greenspace within developments. Funds can be used only for the acquisition or development of public parks, greenways/blue ways, open space sites, and related facilities.

The forecast for FY 2023 is an estimate based upon historic averages and year-to-date activity. It is *heavily dependent* upon the timing of new development. This forecast also makes no assumption for amount of *available* revenue as a result of changes made last year in the Parkland Dedication Ordinance, but rather gross annual receipts. Specific spendable balances will be addressed through the CIP



	Actual					Budget	Forecast (FY 2023)			Averages
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Low	Medium	High	
% yr/yr.	-91.8%	1203.9%	-9.6%	-5.8%	-53.0%	26.5%	3.5%	38.0%	72.5%	
In Lieu of Parkland Receipts	137,454				0	1,024,768	850,931	1,134,574	1,418,218	3-yr Average
Quadrant 1		1,188,552	713,244	1,411,712	383,056	0				\$ 1,482,630
Quadrant 2		88,008	178,218	0	292,672	0				-14.8%
Quadrant 3		157,110	448,230	0	4,304	0				5-Yr Average
Quadrant 4		576,386	55,080	52,488	120,512	0				\$ 1,333,691
Interest Income	20,718	52,338	241,394	292,983	25,414	20,000	3,750	5,000	6,250	-20.0%
Transfers from General Fund	-	-	228,582		-	-	-	-	-	
Totals	\$ 158,172	\$ 2,062,394	\$ 1,864,748	\$ 1,757,183	\$ 825,958	\$ 1,044,768	\$ 854,681	\$ 1,139,574	\$ 1,424,468	

Source: City of Franklin, Comprehensive Annual Financial Reports - 2015-2021 & Estimates from Finance & Revenue Management Departments.



File #: 21-03095

DATE: March 31, 2022
TO: Budget & Finance Committee
FROM: Kristine Brock, Asst. City Administrator/CFO
SUBJECT:

Budget Presentation - Debt Service Fund

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the budget request for FY 2022-2023.

BACKGROUND/STAFF COMMENTS:

Each year, the Budget & Finance Committee reviews the detailed budget of each City Department. At the meetings in February, March, and April, departmental staff makes a presentation of the plans for the next budget cycle and the requested funding for those anticipated needs. This provides the Committee with an idea of the size and scope of budget requests that may be included in the City Administrator's proposed budget, which is typically delivered at the May committee meeting.

FINANCIAL IMPACT:

The financial impact varies by department, depending on the increase in population, the required services, equipment replacement needs, and program enhancements.

RECOMMENDATION:

Staff recommends review of the budget materials. No action is required.



City of Franklin, Tennessee

FY 2023 Operating Budget Request

Debt Service Fund



City of Franklin, Tennessee - FY 2023 Budget Request

Debt Service Fund

Slide 2

Outline

- Purpose of Department**
- Debt Service Schedule – All G.O. Bonds**
- Existing Debt Service for FY 2023**



City of Franklin, Tennessee - FY 2023 Budget Request

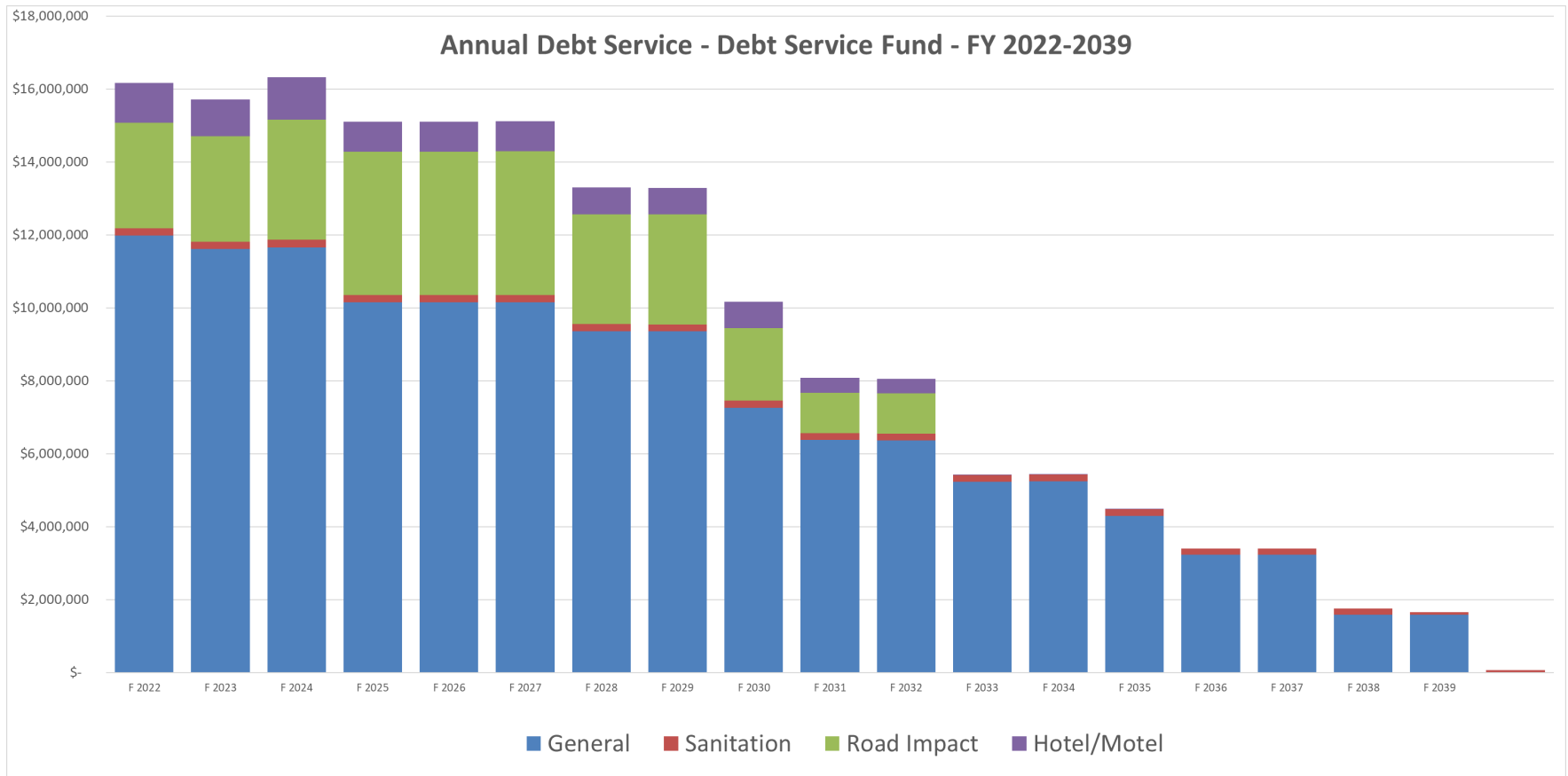
Debt Service Fund

Slide 3

Purpose of Fund

Interest and principal payments, due annually for the City's General Obligation Bonds (general government projects), are appropriated and expensed within the Debt Service Fund. While a portion of property tax is allocated directly to this fund, transfers are also made from the Sanitation & Environmental Services, Road Impact, and Hotel/Motel Tax funds to pay their respective shares of debt service in accordance with policies and intentions directed by the Board of Mayor & Aldermen.

Debt Service Schedule





HISTORIC
FRANKLIN
TENNESSEE

City of Franklin, Tennessee - FY 2023 Budget Request

Debt Service Fund

Slide 5

Budget Request:

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference \$	%
Beginning Fund Balance	372,887	804,607	937,169	937,169	966,636		
Revenues							
TOTAL LOCAL TAXES	10,958,447	10,918,504	11,782,505	11,782,505	11,408,665	(373,840)	-3.2%
TOTAL INTERGOVERNMENTAL	333,953	-	-	-	-	-	0.0%
TOTAL USE OF MONEY & PROPEI	7,222,662	17,914	25,000	25,000	100,000	75,000	300.0%
TOTAL OTHER REVENUE	38,186,891	4,515,952	4,321,899	4,321,899	4,310,955	(10,945)	-0.3%
Total Available Funds	56,701,953	15,452,370	16,129,404	16,129,404	15,819,619	(309,785)	-1.9%
Expenses (Debt Service by Fund)							
Debt Issuance/Refinancing	38,316,818	0	0	0	-	-	0.0%
General	13,944,158	11,098,753	11,978,038	11,978,038	11,608,665	(369,373)	-3.1%
Sanitation	208,255	209,081	209,512	209,512	209,186	(327)	-0.2%
Road Impact	2,707,090	2,730,453	2,893,316	2,893,316	2,884,346	(8,970)	-0.3%
Hotel Motel	1,093,911	1,281,521	1,019,071	1,019,071	1,017,422	(1,648)	-0.2%
Total Expenditures	56,270,233	15,319,808	16,099,937	16,099,937	15,719,619	(380,318)	-2.4%
Ending Fund Balance	804,607	937,169	966,636	966,636	1,066,636		

The City had planned to issue additional debt to support the City's Capital Investment Program in FY 2022. Due to a variety of factors, however, the timing of the issuance will likely result in the issuance of an intent resolution first and a formal issuance in FY 2023. As a result, the budget shown herein is not reflective of any issuance or servicing costs.

All that is shown herein is debt which has been issued to date. Water & Wastewater Debt is budgeted separately under the Water Management Department budget.



City of Franklin, Tennessee

FY 2023 Operating Budget

Debt Service Fund

Budget Summary

	2020 Actual	2021 Actual	2022 Budget	2022 EOY	2023 Budget	2022 v. 2023 \$ %	
Beginning Fund Balance	372,887	804,607	937,169	937,169	966,636		
Revenues	56,701,953	15,452,370	16,129,404	16,129,404	15,819,619	-309,785	-1.92%
Expenditures	56,270,233	15,319,808	16,099,937	16,099,937	15,719,619	-380,318	-2.36%
Ending Balance	804,607	937,169	966,636	966,636	1,066,636		

Fund Summary

In the FY2010 budget, annual debt service previously paid by the General Fund was moved to this consolidated Debt Service Fund. While a portion of property tax is allocated directly to this fund to pay for General Fund's portion of debt service, transfers are made from the Sanitation & Environmental Services, Road Impact, and Hotel/Motel Tax funds to pay their respective shares of the debt service in accordance with policies and intentions delineated by the Board of Mayor & Aldermen.

The City had planned to issue additional debt to support the City's Capital Investment Program in FY 2022. Due to a variety of factors, however, the timing of the issuance will likely result in the issuance of an intent resolution first and a formal issuance in FY 2023. As a result, the budget shown herein is not reflective of any issuance or servicing costs.

Debt Management Policy Ratios

Appendix E of this document provides the City's adopted Debt Management Policy. The City of Franklin has had an adopted debt management policy since June 2009. Over the ensuing decade, this policy has been revised and amended to keep pace with changing economic and fiscal conditions. The policy was last reviewed and revised by the Board of Mayor and Alderman in December 2017.

Section V of this policy covers Debt Affordability. There are three ratios the City strives to balance in its overall execution and management of debt:

1) Direct Debt as a % of Full Value less than or equal to 1.75 %

Full Value of Franklin: (FY 2021)
\$21,190,144,675
1.75% of Full Value:
\$ 370,827,532
Current Bonded Debt (all funds)
\$ 289,543,504
As % of Full Value 1.37%

Measure: Favorable

2) Direct Debt of Operating Revenues of less than or equal to 3x

FY 2022 Operating Revenues (All Funds):
\$ 169,237,961
3x FY 2022 Operating Revenues
\$ 507,713,883
Current Bonded Debt (all funds)
\$ 289,543,504
Direct Debt as x of Operating Revenues
1.7

Measure: Favorable

3) Total Governmental Funds Debt Service as a % of expenditures less than or equal to 25%

Total Governmental Funds Debt Service:
\$ 16,099,937
Total Governmental Funds Expenditures
(All Funds Expenditures LESS Water & Wastewater Funds)
\$ 131,943,722
Gov. Funds Debt Service as % of Gov. Funds Expenditures
12.2%

Measure: Favorable



City of Franklin, Tennessee **FY 2023 Operating Budget**

Organizational Chart

There is no organization chart associated with the Debt Service Fund. It is supervised by personnel in the Finance Department.

Staffing by Position

There are no staff formally associated with the Debt Service Fund. It is supervised by personnel in the Finance Department.



City of Franklin, Tennessee

FY 2023 Operating Budget

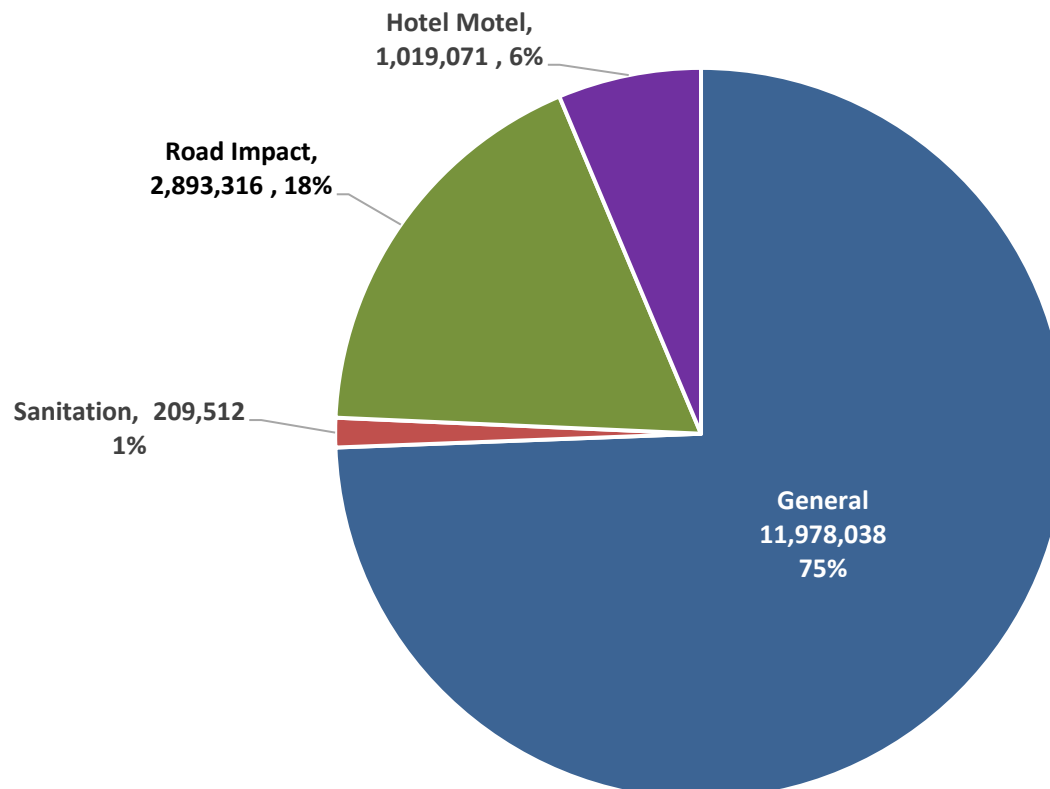
Budget

	Actual 2020	Actual 2021	Budget 2022	EOY 2022	Budget 2023	Difference	
						\$	%
Beginning Fund Balance	372,887	804,607	937,169	937,169	966,636		
Revenues							
TOTAL LOCAL TAXES	10,958,447	10,918,504	11,782,505	11,782,505	11,408,665	(373,840)	-3.2%
TOTAL INTERGOVERNMENTAL	333,953	-	-	-	-	-	0.0%
TOTAL USE OF MONEY & PROPE	7,222,662	17,914	25,000	25,000	100,000	75,000	300.0%
TOTAL OTHER REVENUE	38,186,891	4,515,952	4,321,899	4,321,899	4,310,955	(10,945)	-0.3%
Total Available Funds	56,701,953	15,452,370	16,129,404	16,129,404	15,819,619	(309,785)	-1.9%
Expenses (Debt Service by Fund)							
Debt Issuance/Refinancing	38,316,818	0	0	0	-	-	0.0%
General	13,944,158	11,098,753	11,978,038	11,978,038	11,608,665	(369,373)	-3.1%
Sanitation	208,255	209,081	209,512	209,512	209,186	(327)	-0.2%
Road Impact	2,707,090	2,730,453	2,893,316	2,893,316	2,884,346	(8,970)	-0.3%
Hotel Motel	1,093,911	1,281,521	1,019,071	1,019,071	1,017,422	(1,648)	-0.2%
Total Expenditures	56,270,233	15,319,808	16,099,937	16,099,937	15,719,619	(380,318)	-2.4%
Ending Fund Balance	804,607	937,169	966,636	966,636	1,066,636		

Notes & Objectives

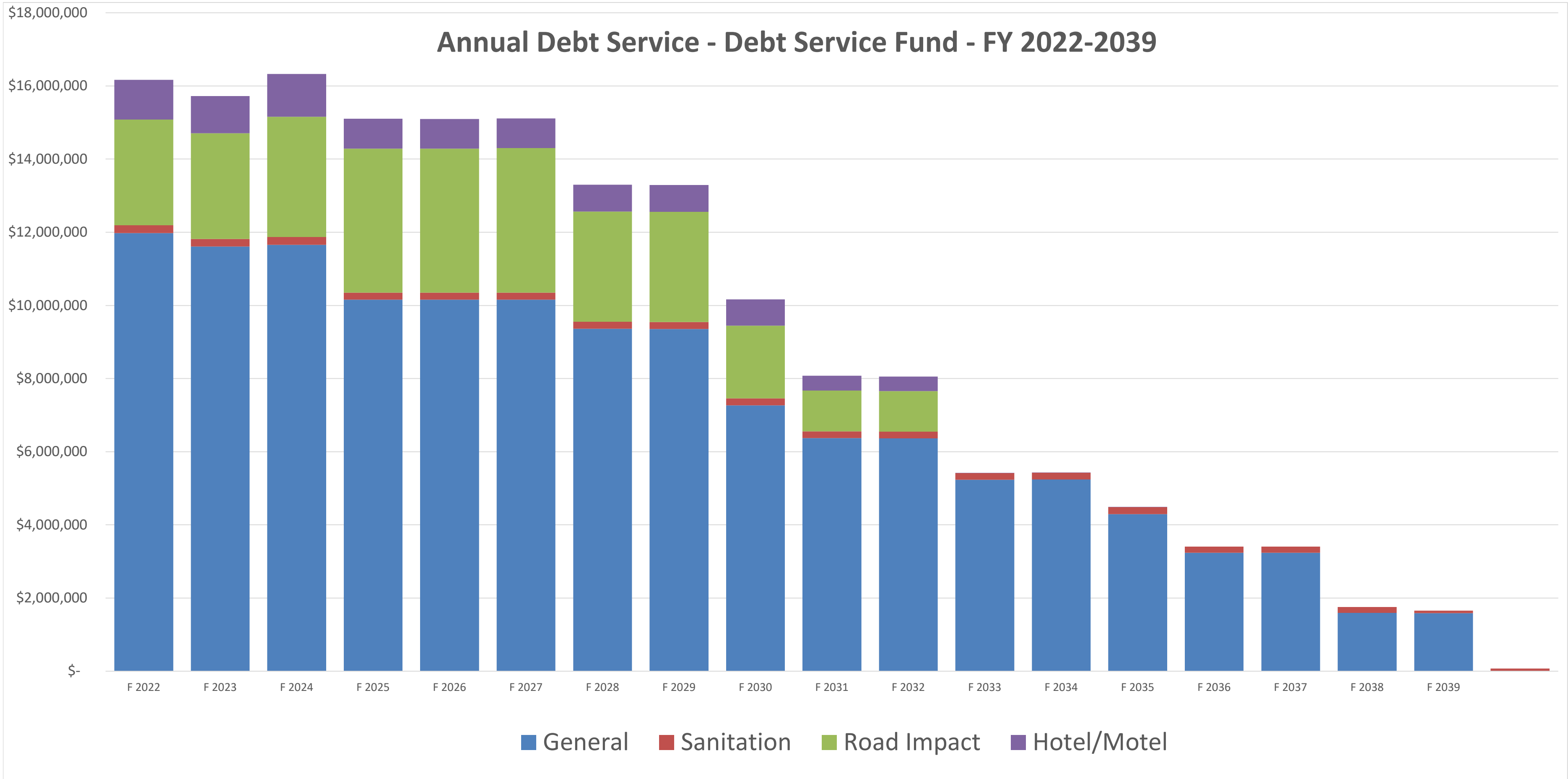
The Debt Service Fund for FY 2023 includes all currently issued G.O. Bonds, including the most recent issue 2019A-B and 2019C-E Refunding Bonds.

Below is FY 2023 G.O. Debt Service by fund. Water & Wastewater Debt is budgeted separately under the Water Management Department budget.



Debt Service Fund - General Obligation / Governmental Funds Debt Schedule

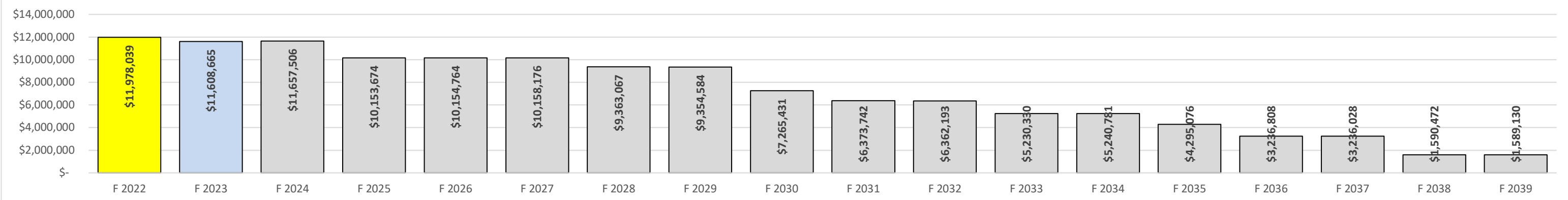
The chart below shows annual debt service for General Obligation Bonds for the City of Franklin, FY 2022-2039. Four funds - General, Sanitation, Road Impact and Hotel/Motel provide funding to service debt. Water & Wastewater Debt service is budgeted within the Water & Wastewater Fund.



Debt Service Fund - General Fund Payment Schedule

Purpose	Issue Year	Orig. Amt. Issued / Interest Rate	F 2022	F 2023	F 2024	F 2025	F 2026	F 2027	F 2028	Balance (2029-2039)	Total Outstanding (2023-2039)
PRINCIPAL											
Bonds 2010 - \$16.59 (Refund 2004 Bonds & Harlinsdale)	2010	\$ 10,451,700	\$ 888,300	\$ 926,100	\$ 963,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,890,000
Bonds 2012 - \$22.5m (Various - Refunding)	2009 / 2012 (Refund)	\$ 9,225,000	\$ 653,950	\$ 668,300	\$ 682,650	\$ 697,000	\$ 711,350	\$ 725,700	\$ -	\$ -	\$ 3,485,000
Bonds 2013 - \$10m (Pension Bonds)	2013	\$ 10,000,000	\$ 1,060,000	\$ 1,090,000	\$ 1,125,000	\$ -	\$ -	\$ -	\$ -	\$ 2,685,000	\$ 4,900,000
Bonds 2013 - \$7.405m (Public Works Bldg, Carlisle)	2013	\$ 7,405,000	\$ 340,000	\$ 350,000	\$ 355,000	\$ 365,000	\$ 375,000	\$ 385,000	\$ 400,000	\$ 9,261,950	\$ 11,491,950
Bonds 2015 - \$15m (Various)	2015	\$ 14,925,000	\$ 631,825	\$ 661,675	\$ 696,500	\$ 726,350	\$ 756,200	\$ 786,050	\$ 810,925	\$ 18,679,030	\$ 23,116,730
Bonds 2017 - \$23.12m (Hillsboro/Roads /Communications/Sanit.	2017	\$ 21,848,400	\$ 826,000	\$ 863,760	\$ 906,240	\$ 925,120	\$ 972,320	\$ 1,019,520	\$ 1,071,440	\$ 28,325,810	\$ 34,084,210
Bonds 2019A - \$29.585 m Roads/Equipment	2019	\$ 29,585,000	\$ 1,393,890	\$ 1,460,950	\$ 1,168,760	\$ 1,221,450	\$ 1,283,720	\$ 1,345,990	\$ 1,422,630	\$ 18,037,230	\$ 25,940,730
Bonds 2019B - Refunding 2009 \$44M BAB	2019	\$ 14,911,000	\$ 1,300,000	\$ 1,361,750	\$ 1,426,750	\$ 1,498,250	\$ 1,573,000	\$ 1,647,750	\$ 1,725,750	\$ 7,590,550	\$ 16,823,800
Bonds 2019C - Refunding Bonds \$29.245M	2019	\$ 29,245,000	\$ 182,750	\$ 182,750	\$ 612,750	\$ 1,307,200	\$ 1,369,550	\$ 1,449,100	\$ 1,694,200	\$ 5,777,050	\$ 12,392,600
Bonds 2019D - Taxable Refunding Bonds	2019	\$ 2,305,000	\$ 208,050	\$ 213,750	\$ 216,600	\$ 219,450	\$ 225,150	\$ 230,850	\$ -	\$ -	\$ 1,105,800
PRINCIPAL		\$ 193,832,350	\$ 7,484,765	\$ 7,779,035	\$ 8,154,150	\$ 6,959,820	\$ 7,266,290	\$ 7,589,960	\$ 7,124,945	\$ 45,178,310	\$ 90,052,510
INTEREST											
Bonds 2010 - \$16.59 (Refund 2004 Bonds & Harlinsdale)	2010	2.0% - 4.0%	\$ 101,493	\$ 65,961	\$ 28,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,878
Bonds 2012 - \$22.5m (Various - Refunding)	2009 / 2012 (Refund)	2.13%	\$ 88,159	\$ 74,231	\$ 59,996	\$ 45,455	\$ 30,609	\$ 15,457	\$ -	\$ -	\$ 225,748
Bonds 2013 - \$10m (Pension Bonds)	2013	1.0% - 3.5%	\$ 106,600	\$ 74,800	\$ 39,375	\$ -	\$ -	\$ -	\$ -	\$ 345,900	\$ 460,075
Bonds 2013 - \$7.405m (Public Works Bldg, Carlisle)	2013	2.0% - 4.0%	\$ 166,818	\$ 158,318	\$ 149,568	\$ 140,693	\$ 131,203	\$ 120,890	\$ 107,800	\$ 1,199,985	\$ 2,008,457
Bonds 2015 - \$15m (Various)	2015	3.0% - 5.0%	\$ 431,372	\$ 399,781	\$ 366,697	\$ 331,872	\$ 302,818	\$ 272,570	\$ 248,989	\$ 3,441,683	\$ 5,364,410
Bonds 2017 - \$23.12m (Hillsboro/Roads /Communications/Sanit.	2017	2.73%	\$ 809,150	\$ 767,850	\$ 724,662	\$ 706,537	\$ 660,281	\$ 611,665	\$ 560,689	\$ 6,619,006	\$ 10,650,689
Bonds 2019A - \$29.585 m Roads/Equipment	2019	2.72%	\$ 1,172,448	\$ 1,102,754	\$ 1,029,706	\$ 971,268	\$ 910,196	\$ 846,010	\$ 778,710	\$ 4,122,083	\$ 9,760,727
Bonds 2019B - Refunding 2009 \$44M BAB	2019	1.90%	\$ 617,338	\$ 552,338	\$ 484,250	\$ 412,913	\$ 338,000	\$ 259,350	\$ 176,963	\$ 666,058	\$ 2,889,871
Bonds 2019C - Refunding Bonds \$29.245M	2019		\$ 607,332	\$ 598,195	\$ 589,057	\$ 558,420	\$ 493,060	\$ 424,582	\$ 352,127	\$ 575,383	\$ 3,590,823
Bonds 2019D - Taxable Refunding Bonds	2019		\$ 26,620	\$ 22,459	\$ 18,184	\$ 13,852	\$ 9,463	\$ 4,848	\$ -	\$ -	\$ 68,808
<i>Bonds 2022 - To be issued</i>	<i>2022</i>	<i>TBD</i>	<i>\$ 353,000</i>							\$ -	\$ -
INTEREST			\$ 4,480,330	\$ 3,816,686	\$ 3,490,412	\$ 3,181,010	\$ 2,875,630	\$ 2,555,372	\$ 2,225,278	\$ 8,485,049	\$ 26,629,435
PAYING AGENT & OTHER DEBT FEES											
Various			\$ 12,944	\$ 12,944	\$ 12,944	\$ 12,844	\$ 12,844	\$ 12,844	\$ 12,844	\$ 222,432	\$ 299,696
PAYING AGENT & OTHER DEBT FEES			\$ 12,944	\$ 12,944	\$ 12,944	\$ 12,844	\$ 12,844	\$ 12,844	\$ 12,844	\$ 111,216	\$ 188,480
			\$ 11,978,039	\$ 11,608,665	\$ 11,657,506	\$ 10,153,674	\$ 10,154,764	\$ 10,158,176	\$ 9,363,067	\$ 53,774,575	\$ 116,870,425
TOTAL EXPENDITURES			\$ 11,978,039	\$ 11,608,665	\$ 11,657,506	\$ 10,153,674	\$ 10,154,764	\$ 10,158,176	\$ 9,363,067	\$ 53,774,575	\$ 116,870,425

Annual Debt Service - General Fund - FY 2022-2039





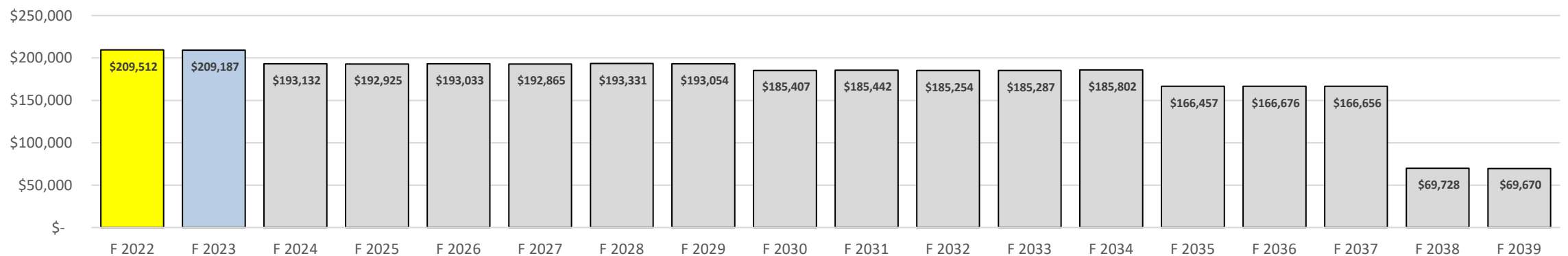
City of Franklin, Tennessee

FY 2023 Operating Budget

Debt Service Fund - Sanitation Fund Payment Schedule

Purpose	Issue Year	Orig. Amt. Issued / Interest Rate	F 2022	F 2023	F 2024	F 2025	F 2026	F 2027	F 2028	Balance (2029-2039)	Total Outstanding (2023-2039)
PRINCIPAL											
Bonds 2017 - \$23.12m (Hillsboro/Roads /Communications/Sanit.)	2017	\$ 1,271,600	\$ 49,000	\$ 51,240	\$ 53,760	\$ 54,880	\$ 57,680	\$ 60,480	\$ 63,560	\$ 717,920	\$ 1,059,520
Bonds 2019A - \$29.585m	2019	\$ 1,600,000	\$ 61,110	\$ 64,050	\$ 51,240	\$ 53,550	\$ 56,280	\$ 59,010	\$ 62,370	\$ 711,270	\$ 1,057,770
PRINCIPAL		\$ 4,871,600	\$ 110,110	\$ 115,290	\$ 105,000	\$ 108,430	\$113,960	\$119,490	\$125,930	\$1,429,190	\$ 2,117,290
INTEREST											
Bonds 2017 - \$23.12m (Hillsboro/Roads /Communications/Sanit.)	2017	2.73%	\$ 48,000	\$ 45,550	\$ 42,988	\$ 41,913	\$ 39,169	\$ 36,285	\$ 33,261	\$ 153,502	\$ 392,669
Bonds 2019 - \$29.585m	2019		\$ 51,402	\$ 48,346	\$ 45,144	\$ 42,582	\$ 39,904	\$ 37,090	\$ 34,140	\$ 176,742	\$ 423,948
INTEREST			\$ 99,402	\$ 93,897	\$ 88,132	\$ 84,495	\$ 79,073	\$ 73,375	\$ 67,401	\$ 330,244	\$ 816,617
TOTAL EXPENDITURES			\$ 209,512	\$ 209,187	\$ 193,132	\$ 192,925	\$193,033	\$192,865	\$193,331	\$1,759,434	\$ 2,933,907

Annual Debt Service - Sanitation Fund - FY 2022-2039





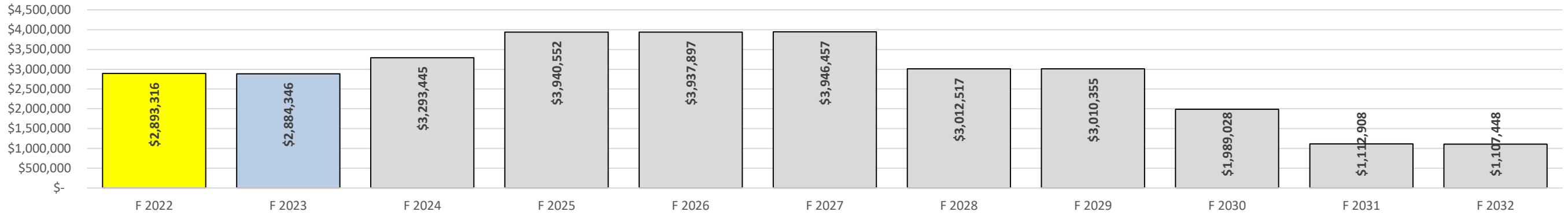
City of Franklin, Tennessee

FY 2023 Operating Budget

Debt Service Fund - Road Impact Payment Schedule

Purpose	Issue Year	Orig. Amt. Issued / Interest Rate	F 2022	F 2023	F 2024	F 2025	F 2026	F 2027	F 2028	Balance (2029-2032)	Total Outstanding (2023-2032)
PRINCIPAL											
Bonds 2012 - \$22.5m (Various - Refunding)	2009 / 2012 (Refund)	\$ 11,475,000	\$ 813,450	\$ 831,300	\$ 849,150	\$ 867,000	\$ 884,850	\$ 902,700	\$ -	\$ 6,608,040	\$ 10,943,040
Bonds 2019B - Refunding 2009 \$44M BAB	2019	\$ 7,937,240	\$ 692,000	\$ 724,870	\$ 759,470	\$ 797,530	\$ 837,320	\$ 877,110	\$ 918,630	\$ 13,216,080	\$ 18,131,010
Bonds 2019C - Refunding Bonds \$29.245M	2019	\$ 29,245,000	\$ 178,500	\$ 178,500	\$ 598,500	\$ 1,276,800	\$ 1,337,700	\$ 1,415,400	\$ 1,654,800	\$ 12,250,740	\$ 18,712,440
Bonds 2019D - Taxable Refunding Bonds	2019	\$ 2,305,000	\$ 156,950	\$ 161,250	\$ 163,400	\$ 165,550	\$ 169,850	\$ 174,150	\$ -	\$ 6,608,040	\$ 7,442,240
PRINCIPAL		\$ 28,724,000	\$ 1,840,900	\$ 1,895,920	\$ 2,370,520	\$ 3,106,880	\$ 3,229,720	\$ 3,369,360	\$ 2,573,430	\$ 6,608,040	\$ 23,153,870
INTEREST											
Bonds 2012 - \$22.5m (Various - Refunding)	2009 / 2012 (Refund)	2.13%	\$ 109,662	\$ 92,336	\$ 74,629	\$ 56,542	\$ 38,075	\$ 19,228	\$ -	\$ 610,269	\$ 891,079
Bonds 2019B - Refunding 2009 \$44M BAB	2019	1.90%	\$ 328,614	\$ 294,014	\$ 257,770	\$ 219,797	\$ 179,920	\$ 138,054	\$ 94,199	\$ 1,220,538	\$ 2,404,291
Bonds 2019C - Refunding Bonds \$29.245M	2019		\$ 593,208	\$ 584,283	\$ 575,358	\$ 545,433	\$ 481,593	\$ 414,708	\$ 343,938	\$ 1,172,271	\$ 4,117,584
Bonds 2019D - Taxable Refunding Bonds	2019		\$ 20,082	\$ 16,943	\$ 13,718	\$ 10,450	\$ 7,139	\$ 3,657	\$ -	\$ 610,269	\$ 662,176
INTEREST			\$ 1,051,566	\$ 987,576	\$ 921,475	\$ 832,222	\$ 706,727	\$ 575,647	\$ 438,137	\$ 610,269	\$ 5,072,052
PAYING AGENT & OTHER DEBT FEES											
Various			\$ 850	\$ 850	\$ 1,450	\$ 1,450	\$ 1,450	\$ 1,450	\$ 950	\$ 2,860	\$ 10,460
PAYING AGENT & OTHER DEBT FEES			\$ 850	\$ 850	\$ 1,450	\$ 1,450	\$ 1,450	\$ 1,450	\$ 950	\$ 1,430	\$ 9,030
TOTAL EXPENDITURES			\$ 2,893,316	\$ 2,884,346	\$ 3,293,445	\$ 3,940,552	\$ 3,937,897	\$ 3,946,457	\$ 3,012,517	\$ 7,219,739	\$ 28,234,952

Annual Debt Service - Road Impact Fund - FY 2022-2033





City of Franklin, Tennessee

FY 2023 Operating Budget

Debt Service Fund - Hotel / Motel Payment Schedule

Purpose	Issue Year	Orig. Amt. Issued / Interest Rate	F 2022	F 2023	F 2024	F 2025	F 2026	F 2027	F 2028	Balance (2029-2035)	Total Outstanding (2022-2035)
PRINCIPAL											
Bonds 2005 - \$4.5m (Country Club) - 55%	2005	\$ 2,475,000	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Bonds 2010 - \$16.59m (Refund Harlinsdale) - 37.0%	2010 (Refund)	\$ 6,138,300	\$ 521,700	\$ 543,900	\$ 566,100	\$ -				\$ 33,050	\$ 1,143,050
Bonds 2012 - \$22.5m Refunding	2009 / 2012 (Refund)	\$ 1,800,000	\$ 127,600	\$ 130,400	\$ 133,200	\$ 136,000	\$ 138,800	\$ 141,600		\$ 2,059,460	\$ 2,739,460
Bonds 2015 - \$15m (Hillsboro & 3rd Ave Only)	2015	\$ 75,000	\$ 3,175	\$ 3,325	\$ 3,500	\$ 3,650	\$ 3,800	\$ 3,950	\$ 4,075	\$ 2,059,460	\$ 2,081,760
Bonds 2019B - Refunding 2009 \$44M BAB	2019	\$ 91,760	\$ 8,000	\$ 8,380	\$ 8,780	\$ 9,220	\$ 9,680	\$ 10,140	\$ 10,620	\$ 4,085,870	\$ 4,142,690
Bonds 2019C - Refunding Bonds \$29.245M	2019		\$ 63,750	\$ 63,750	\$ 213,750	\$ 456,000	\$ 477,750	\$ 505,500	\$ 591,000	\$ 4,074,710	\$ 6,382,460
PRINCIPAL		\$ 16,259,810	\$ 724,225	\$ 749,755	\$ 925,330	\$ 604,870	\$ 630,030	\$ 661,190	\$ 605,695	\$ 2,059,460	\$ 6,236,330
INTEREST											
Bonds 2005 - \$4.5m (Country Club) - 55%	2005	Variable	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Bonds 2010 - \$16.59m (Refund Harlinsdale) - 37.0%	2010 (Refund)	2.0% - 4.0%	\$ 59,607	\$ 38,739	\$ 16,983	\$ -				\$ 4,850	\$ 60,572
Bonds 2012 - \$22.5m Refunding	2009 / 2012 (Refund)	2.13%	\$ 17,202	\$ 14,484	\$ 11,706	\$ 8,869	\$ 5,973	\$ 3,016		\$ 205,565	\$ 249,613
Bonds 2015 - \$15m (Hillsboro & 3rd Ave Only)	2015	3.0% - 5.0%	\$ 2,168	\$ 2,009	\$ 1,843	\$ 1,668	\$ 1,522	\$ 1,370	\$ 1,251	\$ 205,565	\$ 215,227
Bonds 2019B - Refunding 2009 \$44M BAB	2019	1.90%	\$ 3,799	\$ 3,399	\$ 2,980	\$ 2,541	\$ 2,080	\$ 1,596	\$ 1,089	\$ 406,838	\$ 420,523
Bonds 2019C - Refunding Bonds \$29.245M	2019		\$ -	\$ 208,823	\$ 205,485	\$ 194,798	\$ 171,998	\$ 148,110	\$ 122,835	\$ 406,280	\$ 1,458,327
INTEREST			\$ 361,281	\$ 267,453	\$ 238,997	\$ 207,876	\$ 181,572	\$ 154,092	\$ 125,175	\$ 205,565	\$ 1,380,730
PAYING AGENT & OTHER DEBT FEES											
Various			\$ 210	\$ 213	\$ 216	\$ 219	\$ 222	\$ 225	\$ 228	\$ 3,360	\$ 4,683
PAYING AGENT & OTHER DEBT FEES			\$ 210	\$ 213	\$ 216	\$ 219	\$ 222	\$ 225	\$ 228	\$ 1,680	\$ 3,003
TOTAL EXPENDITURES			\$ 1,085,716	\$ 1,017,421	\$ 1,164,543	\$ 812,965	\$ 811,824	\$ 815,507	\$ 731,098	\$ 2,266,705	\$ 7,620,063

