



TENNESSEE  
**Hamblen County**  
SERVICE • COMMUNITY • INDUSTRY  
FINANCE DEPARTMENT

February 20, 2026

Ministerial Association Temporary Shelter, Inc. (M.A.T.S.)  
Tonya Polidoro, Executive Director  
733 West Main Street  
Morristown, TN 37814

We have begun the 2026-2027 budget process. In order to be considered for a contribution from Hamblen County, we are requesting certain information from your organization in accordance with Section 5-9-109, *Tennessee Code Annotated (TCA)*.

**This year, we are requesting that your documents be submitted electronically to the Finance Department at the following email addresses:**

Amanda Hale – [ahale@co.hamblen.tn.us](mailto:ahale@co.hamblen.tn.us)  
Dennis Fox – [dfox@co.hamblen.tn.us](mailto:dfox@co.hamblen.tn.us)

Please provide the following items **electronically**:

- 1) proof of 501(c)(3), 501(c)(4), or 501(c)(6) IRS tax status,  
*Please note this is a letter from the IRS, not a letter of sales tax exemption from the Tennessee Department of Revenue*
- 2) your organization's most current audit or annual report detailing all receipts and expenditures, and
- 3) your organization's most current budget.

Please note that in accordance with State law, the above requested information must be submitted and on file. Noncompliance with this request may prevent your organization from receiving funds. Please understand that this letter does not guarantee that you will receive a contribution. Any contribution requires county commission approval. You may be asked to appear before the Budget Committee on **Saturday, May 16, 2026**, to explain your request. The Finance Department will notify you if the Budget Committee wants to hear from you.

Please return a copy of this letter along with the requested information above to the Hamblen County Mayor's office by **Monday, March 23, 2026**. If you have any questions, please feel free to contact me.

Sincerely,

*Amanda Hale*

Amanda Hale  
Hamblen County Finance Director

2025-2026 Contribution:

**\$8,000**

**Amanda Hale, Finance Director**

511 West Second North Street • Morristown, TN 37814 • office. 423.586.1931 • fax. 423.585.4699  
[www.HamblenCountyTN.gov](http://www.HamblenCountyTN.gov) • email. [ahale@co.hamblen.tn.us](mailto:ahale@co.hamblen.tn.us)



February 24, 2026

Hamblen County  
Finance Department

Ms. Amanda Hale,

Thank you for the opportunity to apply for this year's grant.

Ministerial Association Temporary Shelter (MATS) operates a structured Self-Sufficiency Program serving individual men, women, and families with children. Our work is centered on helping participants move beyond immediate crisis and toward long-term independence through stability, income development, and healthy life management skills.

Within the program, participants receive shelter and basic support services while engaging in life-skills training, budget coaching, counseling, mentorship, and intensive case management. The emphasis of our model is not simply providing temporary assistance, but equipping individuals with the tools, habits, and accountability necessary to sustain stability well after program completion.

Many participants enter the program having experienced prolonged instability, limited financial literacy, inconsistent employment, or barriers related to mental health, family disruption, or economic hardship. Our approach focuses on identifying each individual's specific obstacles and developing an individualized success plan designed to build income, strengthen decision-making skills, and establish sustainable routines.

Through daily engagement, our case management team supports participants in building structure, maintaining accountability, and progressing toward clearly defined goals. This consistent guidance helps participants replace destabilizing patterns with practical, sustainable behaviors that support long-term self-reliance.

The effectiveness of our program is measured by the number of participants who exit sustainably housed and financially stable. MATS completed 2025 with a 70% success rate. Success means participants leave the program with stable housing, reliable income sufficient to meet monthly obligations, and without the need for repeat services within the year.

For the upcoming grant period, MATS respectfully requests continued support in the amount of \$8,000. We are sincerely grateful for your consistent investment in our program over the years. As operational costs continue to rise, an increase in funding would be both impactful and deeply appreciated, allowing us to further strengthen the services and support we provide to participants working toward long-term self-sufficiency.

Thank you for your time, consideration, and continued support of our mission.

Tonya Polidoro  
Executive Director  
MATS, Inc.

INTERNAL REVENUE SERVICE  
DISTRICT DIRECTOR  
C - 1180  
ATLANTA, GA 30301

DEPARTMENT OF THE TREASURY

Date:

DEC 23 1992

MINISTERIAL ASSOCIATION TEMPORARY  
SHELTER INC  
P O BOX 1618  
MORRISTOWN, TN 37816-1618

Employer Identification Number:  
62-1324210

Contact Person:  
LORI HALL

Contact Telephone Number:  
(404) 331-0190

Our Letter Dated:  
January 13, 1988

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,



Paul Williams  
District Director

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.

FINANCIAL STATEMENTS

Year ended June 30, 2025

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.

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# Purkey, Carter, Compton, Swann & Carter, PLLC

Certified Public Accountants

2335 W. Andrew Johnson Highway  
P. O. Box 727  
Morristown, Tennessee 37815

Telephone (423) 586-4850  
FAX (423) 581-8873  
www.pccsc.com

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Ministerial Association Temporary Shelter, Inc.  
Morristown, Tennessee

### **Opinion**

We have audited the accompanying financial statements of Ministerial Association Temporary Shelter, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ministerial Association Temporary Shelter, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ministerial Association Temporary Shelter, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ministerial Association Temporary Shelter, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ministerial Association Temporary Shelter, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

*Purkey, Carter, Compton, Swann & Carter, PLLC*

Morristown, TN  
November 14, 2025

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
STATEMENT OF FINANCIAL POSITION  
June 30, 2025

<b>ASSETS</b>	
Cash	\$ 188,460
Cash - restricted	18,642
Contracts receivable	1,020
Unconditional promises to give	56,612
Prepaid expense	1,254
Property and equipment, net	393,887
Finance lease right-of-use asset	932
Utility deposit	60
Investments	<u>13,179</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 674,046</u></b>
 <b>LIABILITIES AND NET ASSETS</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 6,108
Accrued payroll	3,413
Accrued payroll taxes	2,351
Annual leave	11,664
Deferred revenue	21,700
Finance lease liability	<u>932</u>
<b>TOTAL LIABILITIES</b>	<b>46,168</b>
<b>NET ASSETS</b>	
Net assets without donor restrictions	
Undesignated	552,625
Net assets with donor restrictions	<u>75,253</u>
<b>TOTAL NET ASSETS</b>	<b><u>627,878</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 674,046</u></b>

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
STATEMENT OF ACTIVITIES  
Year ended June 30, 2025

REVENUE, GAINS AND OTHER SUPPORT	Without Donor Restrictions	With Donor Restrictions	Total
Contributions of cash and other financial assets			
United Way	\$ 45,612	\$ 40,611	\$ 86,223
Local governments	-	16,000	16,000
Donations	102,460	110	102,570
Emergency food & shelter program	-	-	-
Emergency shelter grant	125,000	-	125,000
Contributions of nonfinancial assets	78,777	-	78,777
Investment income	1,873	-	1,873
Unrealized gain on investments	1,563	-	1,563
Loss on equipment disposal	(6,181)	-	(6,181)
Special events revenue	102,336	-	102,336
Less: Cost of direct benefit to donors	(29,069)	-	(29,069)
Net assets released from restrictions			
Expiration of time restrictions	53,320	(53,320)	-
<b>TOTAL REVENUE, GAINS AND OTHER SUPPORT</b>	<b>475,691</b>	<b>3,401</b>	<b>479,092</b>
<b>EXPENSE</b>			
Program services			
Shelter services	413,456	-	413,456
Supporting services			
Management and general	71,762	-	71,762
Fundraising	37,877	-	37,877
<b>TOTAL EXPENSE</b>	<b>523,095</b>	<b>-</b>	<b>523,095</b>
<b>CHANGE IN NET ASSETS</b>	<b>(47,404)</b>	<b>3,401</b>	<b>(44,003)</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>600,029</b>	<b>71,852</b>	<b>671,881</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 552,625</b>	<b>\$ 75,253</b>	<b>\$ 627,878</b>

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
Year ended June 30, 2025

	<u>Supporting Services</u>			Direct Fundraising Costs	Total
	Program Services	Management and General	Fundraising		
Salaries	\$ 199,475	\$ 37,261	\$ 22,356	\$ -	\$ 259,092
Employee benefits	9,297	1,737	1,042	-	12,076
Payroll taxes	15,533	2,901	1,741	-	20,175
Total salaries and related expenses	224,305	41,899	25,139	-	291,343
Utilities	23,839	2,947	-	-	26,786
Repairs and maintenance	14,689	-	-	-	14,689
Food donations	51,739	-	-	-	51,739
Telephone	3,876	724	434	-	5,034
Office expense	1,886	5,751	3,636	-	11,273
Insurance	16,773	2,006	388	-	19,167
Meals	26,617	-	-	-	26,617
Professional fees	-	5,450	-	-	5,450
Supplies	15,110	-	-	-	15,110
Contract labor	4,500	-	-	-	4,500
Monitoring fee	2,500	-	-	-	2,500
Travel	-	2,674	-	-	2,674
Direct client expense	9,781	-	-	-	9,781
Security	1,389	172	-	-	1,561
Advertising	-	686	8,280	-	8,966
Dues and registration	-	5,901	-	-	5,901
Interest expense	-	135	-	-	135
Property tax	396	49	-	-	445
Depreciation	16,056	1,985	-	-	18,041
Amortization	-	1,383	-	-	1,383
Cost of direct benefit to donors	-	-	-	29,069	29,069
TOTAL EXPENSE	413,456	71,762	37,877	29,069	552,164
Less expenses included with revenue on the statement of activities	-	-	-	(29,069)	(29,069)
Total expenses included in the expense section of the statement of activities	\$ 413,456	\$ 71,762	\$ 37,877	\$ -	\$ 523,095

See accompanying notes to financial statements.

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
STATEMENT OF CASH FLOWS  
Year ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (44,003)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	18,041
Loss on equipment disposal	6,181
Investment income	(152)
Gain on investments	(1,563)
Amortization of right-of-use asset - finance lease	1,383
Changes in operating assets:	
Unconditional promises to give	(3,292)
Grants receivable	9,233
Prepaid expense	123
Changes in operating liabilities:	
Accounts payable	(2,109)
Accrued payroll	1,208
Accrued payroll taxes	(2,429)
Annual leave	4,477
Deferred revenue	<u>12,275</u>
NET CASH USED IN OPERATING ACTIVITIES	(627)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	(8,825)
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal reduction in lease liability - finance lease	<u>(1,383)</u>
NET DECREASE IN CASH	(10,835)
CASH AND RESTRICTED CASH AT BEGINNING OF YEAR	<u>217,937</u>
CASH AND RESTRICTED CASH AT END OF YEAR	<u>\$ 207,102</u>
<u>Supplemental Disclosures:</u>	
Interest paid	<u>\$ 23</u>

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Ministerial Association Temporary Shelter, Inc. was organized as a non-profit corporation under the laws of the State of Tennessee in 1987. The Organization provides shelter on a temporary basis for homeless men, women, and children in Hamblen County and the surrounding area.

Basis of Accounting

The financial statements of Ministerial Association Temporary Shelter, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board, Accounting Standards Codification (ASC) Topic 958 *Not-for-Profit Entities*. Under ASC Topic 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor 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.

Contributions

The Organization accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in ASC Topic 958. In accordance with ASC Topic 958, contributions received are recorded, depending on the existence or nature of any donor restrictions, as contributions with donor restrictions or contributions without donor restrictions.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which revenue is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. 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.

The Organization receives amounts from grants and fundraising events that are considered nonreciprocal transactions and accounted for as contributions.

Concentrations of Credit Risk

The Organization's concentrations of credit risk consist principally of promises to give. Concentrations of credit risk with respect to promises to give are dependent on factors affecting the economy in which contributors live and work. Collateral is not required on these promises to give.

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

Revenue Recognition

The Organization recognizes revenue when it satisfies a performance obligation by transfer of promised goods or services to customers in an amount that depicts the consideration the Organization expects to be entitled to in exchange for those goods or services. Revenue is not recognized unless the contract has been approved, it identifies each party's rights, it identifies payment terms, it has commercial substance, and it is probable substantially all consideration will be collected by the Organization. The Organization has elected the practical expedients: (1) to account for contracts with similar characteristics as a portion of contracts rather than individually; (2) not to adjust the promised amount of consideration for the effects of significant financing component as it expects, at contract inception, that the period between when the Organization transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less; (3) not to disclose the transaction price allocated to unsatisfied or partially unsatisfied performance obligations as of the end of the reporting period when the performance obligations related to contracts with an expected duration of less than one year.

When either party to a contract has performed, depending on the relationship between the Organization's performance and the customer's payment, the Organization presents a contract asset or contract liability on the statement of financial position. The Organization presents any unconditional rights to consideration separately on the statement of financial position as a receivable.

The Organization recognizes revenues from special events at a point in time upon transfer of the good or service.

Contracts Receivable

Contracts receivable are stated at the amount management expects to collect from outstanding balances. Historically, differences between the amounts billed and collected have been insignificant. Accordingly, no provision is made for uncollectible amounts.

Promises to Give

Unconditional promises to give are recognized as revenues in the period the promise is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when conditions on which they depend are substantially met.

The Organization uses the allowance method to determine uncollectible promises to give, if necessary. The allowance is based on prior years' experience and management's analysis of the specific promises made.

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 lives of the related assets. The Organization's capitalization policy is \$2,500.

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

Contributions of Nonfinancial Assets

Contributions of nonfinancial assets are recorded as contributions at their estimated fair values at the date of the donation. See Note K - Contributed Nonfinancial Assets for estimated fair value of donations made during the year ended June 30, 2025.

During the year ended June 30, 2025, no contributed services met the requirements of ASC Topic 958 for recognition in the financial statements. However, a number of volunteers contributed their time to assist with the Organization's programs.

Functional Expenses

The costs of providing program and supporting activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated between Program Services and Supporting Services based on an analysis of those costs identifiable with a specific function or based on an analysis of personnel time and space utilized for the related service.

Income Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is not classified as a private foundation.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less and certificates of deposit to be cash equivalents. The Organization had no cash equivalents at June 30, 2025.

The following table provides a reconciliation of cash and restricted cash reported within the Statement of Financial Position that sum to the total in the Statement of Cash Flows as of June 30, 2025:

Operations	\$	188,460
Restricted		<u>18,642</u>
Total cash and restricted cash	\$	<u>207,102</u>

Advertising

The Organization expenses the cost of advertising as it is incurred. Advertising expense for the year ended June 30, 2025, was \$8,966.

Interest Expense

Interest expense is charged to expense in the period in which it is incurred; therefore, no interest has been capitalized during the year ended June 30, 2025.

Property Taxes

During the current year, the organization had to pay city and county property taxes of \$445 on a plot of land purchased in 2024. The land has since been exempted by the Tennessee State Board of Equalization.

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

Leases

The Organization determines if an arrangement is a lease at inception. When an arrangement is a lease, management determines if it is an operating lease or finance lease, with classification affecting the pattern of expense recognition in the Statement of Activities. At lease commencement, the Organization records a lease liability and a corresponding right-of-use (ROU) asset. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option. The Organization has elected to include lease and non-lease components in determining the lease liability for all leases. A ROU asset and lease liability is not recognized for leases with a term of 12 months or less and lease expense for these leases are recognized on a straight-line basis over the lease term.

Investments

In accordance with ASC Topic 958, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Subsequent Events

The Organization evaluated subsequent events through November 14, 2025, the date the financial statements were available to be issued.

NOTE B – CONTRACT RECEIVABLES

Contracts receivable of \$1,020 at June 30, 2025, consists of amounts due from various sponsorships. No allowance for uncollectible contracts receivable was considered necessary.

NOTE C – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give at June 30, 2025, consist of the following:

United Way	\$ 40,612
Hamblen County	<u>16,000</u>
	<u>\$ 56,612</u>

Differences between amounts promised and collected have historically been insignificant. Accordingly, no provision is made for uncollectible amounts. All promises to give are due within one year.

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2025

NOTE D – DEFERRED REVENUE AND PREPAID EXPENSE

The Organization conducted a concert in August of 2025, subsequent to year end. As a result, \$21,700 in deferred revenue and \$1,254 in prepaid expenses have been incurred as of June 30, 2025. Deferred revenues relate to prepayment of advertisements and sponsorships. Prepaid expenses relate to the down payment for the performers and initial setup costs.

NOTE E – FUNDING

Ministerial Association Temporary Shelter, Inc. receives a substantial amount of support from United Way, federal, state and local governments, and public support for operations. A major reduction of funds by the public and grantor agencies, should this occur, may have a significant effect on future operations.

NOTE F – ANNUAL LEAVE PAYABLE

The estimated value of annual leave accrued but not taken amounted to \$11,664 at June 30, 2025. ASC Topic 710 *Compensation – General*, requires that certain accrued vacation, the effects of which are material to the financial statements, be recorded as earned.

NOTE G – PROPERTY AND EQUIPMENT

Land, buildings, and equipment are stated at cost or estimated fair market value if donated and on June 30, 2025, consisted of the following:

Land	\$ 178,300
Building	240,523
Furniture and equipment	90,898
Vehicle	<u>5,500</u>
	515,221
Less accumulated depreciation	<u>(121,334)</u>
Net property and equipment	<u>\$ 393,887</u>

Depreciation expense for the year ended June 30, 2025, was \$18,041.

NOTE H – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following period or purposes:

United Way funding for 2025	\$ 40,612
Hamblen County funding for 2025	16,000
Day Center	9,981
Warming Station	<u>8,660</u>
	<u>\$ 75,253</u>

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

NOTE I – LIQUIDITY

Ministerial Association Temporary Shelter, Inc. has \$208,122 of financial assets available within one year of the Statement of Financial Position date to meet cash needs for general expenditures consisting of cash of \$207,102 and contracts receivable of \$1,020. None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the Statement of Financial Position date.

The Organization has unconditional promises to give in the amount of \$56,612 restricted by time and can be used for general expenditures when payment is received.

NOTE J – REVENUE FROM CONTRACTS WITH CUSTOMERS

Disclosure of Disaggregated Revenue

For the year ended June 30, 2025, revenues recognized from goods or services transferred to customers at a point in time were \$29,069.

For the year ended June 30, 2025, there were no revenues recognized from goods or services transferred to customers over time.

The Organization's revenues, results of operations, and cash flows are affected by separate factors, including general economic conditions, geographical locations of customers, and type of contract. Contracts with clients are not typically considered long-term due to the structure of the client agreements.

Disclosure of Contract Assets, Contract Liabilities, and Receivables

The Organization had no contract assets or liabilities from contracts with customers at June 30, 2025 and 2024.

The Organization had contracts receivable from contracts with customers in the amount of \$1,020 at June 30, 2025, and \$1,020 at 2024. Contracts receivable that are considered bad debts are written off in the year that they are determined to be uncollectible. At June 30, 2025, the Organization believes all contracts receivable are collectible and has not recorded a reserve for bad debts.

NOTE K – CONTRIBUTED NONFINANCIAL ASSETS

For the year ended June 30, 2025, contributed nonfinancial assets recognized within the Statement of Activities included:

Food – Second Harvest	\$ 26,378
Food and Supplies – Individual	51,739
Pest control	<u>660</u>
	<u>\$ 78,777</u>

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2025

Ministerial Association Temporary Shelter, Inc. reports the fair value of donated rescue food and grocery products over which it has control and received from Second Harvest Food Bank as unrestricted public support and, shortly thereafter, as expense when either used by the agency or granted to other local 501(c)(3) agencies. During the year ended June 30, 2025, the Organization received approximately 15,570 pounds of donated product from Second Harvest Food Bank of which 2,180 pounds was discarded as unusable, 13,390 pounds was used by the Organization, and there were no remaining pounds to be donated to other agencies and/or needy individuals. The approximate average wholesale value of one pound of rescued product was determined to be \$1.97 during calendar year 2024 as reported by annual financial statements of Feeding America.

For the year ended June 30, 2025, the dollar amount of the poundage used by the Organization was approximately \$26,378.

The Organization recognizes contributed nonfinancial assets revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. The Organization receives contributed nonfinancial assets of pest control services and supplies. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed pest control services and real estate services were utilized in program services to provide shelter to victims of homelessness.

NOTE L – FINANCING LEASE

The Organization leases a copier under a 60-month financing lease agreement with Canon that began in March 2021. The payments are \$117 a month, plus small charges for additional copies.

The following table reconciles the future minimum undiscounted lease payments to the lease liabilities reported within the Statement of Financial Position as of June 30, 2025:

Years ending June 30, 2026	<u>937</u>
Total lease payments	937
Less discount/interest	<u>(5)</u>
Present value of lease liabilities	<u>\$ 932</u>

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

The following tables provide quantitative information concerning the Organization's leases for the year ended June 30, 2025:

Lease Cost	
Finance Lease Cost	
Amortization of right-of-use assets expense	\$ 1,383
Interest on lease liabilities expense	<u>23</u>
Total lease cost	<u>\$ 1,406</u>
Other Information	
Cash Paid for Amounts Included in the Measurement of Lease Liabilities	
Operating cash flows from finance leases	<u>\$ 23</u>
Financing cash flows from finance leases	<u>\$ 1,383</u>
Weighted-average remaining lease term - finance lease	0.7 years
Weighted-average discount rate - finance lease	1.37%

NOTE M – INVESTMENTS

For assets and liabilities required to be measured at fair value, the Organization measures fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date. Fair value measurements are applied based on the unit of account from the Organization's perspective. The unit of account determines what is being measured by reference to the level at which the asset or liability is aggregated (or disaggregated) for purposes of applying other accounting pronouncements.

The Organization follows a valuation hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correction or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

MINISTERIAL ASSOCIATION TEMPORARY SHELTER, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2025

Investments at June 30, 2025, consist of the following:

	<u>Fair Value</u>	<u>Investment Cost Basis</u>	<u>Unrealized Appreciation (Depreciation)</u>
Marketable Equity Securities	\$13,179	\$10,166	\$3,013

Fair values for the above investments are determined by reference to quoted prices in active markets for identical assets (Level 1 within the fair value measurement hierarchy) and reported on a recurring basis. No restrictions or designations exist on these funds as of June 30, 2025.

Dividend income from the securities for the year ended June 30, 2025 was \$152.

## Profit &amp; Loss Budget Overview

July 2025 through June 2026

02/24/26

Accrual Basis

	Jul '25 - Jun 26
Ordinary Income/Expense	
Income	
Contributions	
Board-Employee Donations	8,000.00
Business	12,000.00
Churches	30,000.00
Civic Organizations	2,800.00
Corporate Sponsors	24,000.00
Individuals	15,000.00
Total Contributions	91,800.00
Fund Raising Income	
Bullmania	
Chute Sponsor	2,000.00
Donations	3,900.00
Major Sponsor	4,000.00
Bullmania - Other	0.00
Total Bullmania	9,900.00
Concert	
Billboard Sponsors	2,500.00
Concert Sponsors	21,250.00
Concession Sales	180.00
Donations	240.00
Concert - Other	6,000.00
Total Concert	30,170.00
Donor Appeal	10,000.00
Family Fun Day	
Family Fun Day Sponsor	8,000.00
Fun Day Craft Vendor	720.00
Fun Day Food Vendor	500.00
Family Fun Day - Other	3,000.00
Total Family Fun Day	12,220.00
Holiday Appeal	25,000.00
Run - 5K	
5K Sponsors	7,250.00
Glow Merchandise	500.00
Run - 5K - Other	6,000.00
Total Run - 5K	13,750.00
Shirts	120.00
Turkeys	
Spiral Hams	8,600.00
Turkey Sponsor	7,650.00
Turkeys - Bake Sale	1,000.00
Vendor Booth	200.00
Turkeys - Other	10,450.00
Total Turkeys	27,900.00
Total Fund Raising Income	129,060.00
Grants	
City of Morristown	8,000.00
ESG - State of Tennessee	125,000.00
FEMA - Hamblen Co.	5,300.00
FEMA - Jefferson County	6,584.00
GFWC	300.00
Hamblen County Commission	8,000.00

**M.A.T.S., Inc.**  
**Profit & Loss Budget Overview**  
 July 2025 through June 2026

	Jul '25 - Jun 26
Keel Grant	4,000.00
Misc.	7,000.00
Presbyterian Hunger Grant	950.00
Un Way Hawkins County	81,223.00
Un Way Jefferson County	0.00
Un Way of Grainger Co	5,017.00
<b>Total Grants</b>	<b>251,374.00</b>
<b>Total Income</b>	<b>472,234.00</b>
<b>Cost of Goods Sold</b>	
<b>Cost of Fundraising</b>	
Cost of 5K Run	7,020.00
Cost of Bullmania	700.00
Cost of Church	250.00
Cost of Concert	12,690.00
Cost of Donor Appeal	888.00
Cost of Family Fun Day	6,140.00
Cost of Holiday Appeal	888.00
Cost of Sponsorship	2,000.00
Cost of Turkeys	11,590.00
<b>Total Cost of Fundraising</b>	<b>42,166.00</b>
<b>Total COGS</b>	<b>42,166.00</b>
<b>Gross Profit</b>	<b>430,068.00</b>
<b>Expense</b>	
<b>Advertising</b>	
Facebook Ads	200.00
Advertising - Other	1,700.00
<b>Total Advertising</b>	<b>1,900.00</b>
<b>Communications</b>	
Cell Phone	2,100.00
Telephone	3,084.00
<b>Total Communications</b>	<b>5,184.00</b>
<b>Continuing Education</b>	<b>700.00</b>
<b>Direct Client Expense</b>	
<b>Direct Client Expense ESG</b>	
Client APT Classes	900.00
Client Documents	500.00
Rapid Re-Housing Program	10,000.00
<b>Total Direct Client Expense ESG</b>	<b>11,400.00</b>
<b>Total Direct Client Expense</b>	<b>11,400.00</b>
<b>Dues</b>	
HMIS Monitoring Fee	2,500.00
Premium Only Section 125 Plan	540.00
Dues - Other	5,800.00
<b>Total Dues</b>	<b>8,840.00</b>
<b>Employee Benefits</b>	<b>2,350.00</b>
<b>Equipment Rental</b>	<b>3,589.00</b>
<b>Food Expense</b>	<b>400.00</b>
<b>Insurance</b>	
Auto Insurance	2,700.00
Building and Contents Insurance	13,200.00
Group Medical Insurance	16,965.00
Liability Insurance	1,122.00
Workers Comp. Ins.	4,200.00

**M.A.T.S., Inc.**  
**Profit & Loss Budget Overview**  
 July 2025 through June 2026

	Jul '25 - Jun 26
Total Insurance	38,187.00
Payroll (FICA) Expenses	21,497.85
Personnel Expenses	
Advertising	800.00
Background Checks	96.00
Total Personnel Expenses	896.00
Postage and Delivery	780.00
Printing and Reproduction	300.00
Professional Fees	
Accounting	5,700.00
Total Professional Fees	5,700.00
Repairs & Maintenance	
Building Repairs & Maintance	12,000.00
Computer Repairs	100.00
Total Repairs & Maintenance	12,100.00
Salary Expense	
Salaries-Admin. Mgmt.	108,000.00
Salaries-Marketing	29,120.00
Salaries-Shelter Mgmt.	129,780.00
Total Salary Expense	266,900.00
Security	1,760.00
Supplies	
Bed Bug Extermination	700.00
Diagnostics	1,920.00
Dumpster (Trash Service)	1,680.00
Kitchen Supplies	300.00
Office Supplies	2,000.00
Shelter Supplies	
Volunteerism	100.00
Shelter Supplies - Other	3,000.00
Total Shelter Supplies	3,100.00
Total Supplies	9,700.00
Travel & Ent	
Meals	1,500.00
Travel	1,500.00
Total Travel & Ent	3,000.00
Utilities	
Water & Electric	25,785.00
Total Utilities	25,785.00
VAN (2004 Ford Econoline)	
Gas	900.00
Misc (Oil Chge, Repairs, Etc)	1,500.00
Total VAN (2004 Ford Econoline)	2,400.00
Total Expense	423,368.85
Net Ordinary Income	6,699.15
Other Income/Expense	
Other Income	
Interest Income	0.00
Interest Income - Brokerage	0.00

**Profit & Loss Budget Overview**

July 2025 through June 2026

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	Jul '25 - Jun 26
Total Other Income	0.00
Net Other Income	0.00
Net Income	<u>6,699.15</u>