



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

February 20, 2026

HOLA Lakeway  
Betsy Hurst  
P.O. Box 3246  
Morristown, TN 37815

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:

**\$15,000**

**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)



# 2025 Impact Report

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HOLA Lakeway

423-621-9065

[info@holalakeway.org](mailto:info@holalakeway.org)

# HOLA Lakeway 2025 Impact Report

## Message from Our Founders



Founded to reflect the evolving families of the Lakeway Area, HOLA Lakeway creates connection, belonging, and opportunity across cultures and generations. International families strengthen our communities through their skills, leadership, and contributions, yet are often underrepresented—especially in rural areas. HOLA works to ensure these strengths are recognized and supported.

In 2025, we expanded our HOLA4Kids program and launched a mobile classroom, serving over 100 children while supporting parents in building English skills and workforce readiness. Our 10th Annual International Food Festival brought thousands together, boosting local businesses and celebrating culture, while partnerships with local schools and organizations expanded access to education and workforce opportunities.



Our impact reflects more than numbers—it represents trust, resilience, and a shared vision for a stronger community. As we look to 2026, HOLA remains committed to connecting families with resources and opportunities to thrive. This report highlights the growing momentum of HOLA Lakeway and the power of community-driven work.

Dr. KC Alvarado & Willie Santana

# Executive message

## Forging Ahead: HOLA Lakeway 2025 Impact Report

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# Forward Together

2025 was a year of growth, resilience, and meaningful progress for HOLA Lakeway. Guided by our theme, “Forging Ahead,” we strengthened our commitment to supporting multicultural families in East Tennessee through education, family engagement, workforce readiness, and mental health initiatives.

This report highlights the impact of our programs, the stories of the families we serve, and the progress we have made in fostering literacy, economic mobility, and overall well-being across our community. As we reflect on the year, we celebrate both the challenges we have overcome and the opportunities ahead as we continue our mission to empower families and build a stronger, more connected community.

Because of this shared commitment, 2025 became a year of growth, connection, and measurable impact. We invite you to explore what we accomplished together.

With Gratitude,



  
*Betsy B. Jimenez Hurst*, MBA  
Executive Director  
865.582-5289  
423-621-9065  
[www.hola.lakeway.org](http://www.hola.lakeway.org)

# HOLA Lakeway 2025 Impact Report

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In calendar year 2025, HOLA Lakeway served 1,095 families\* through integrated educational, family engagement, workforce, mental health, and community support programs. The outcomes below reflect both school-year program data (July 2024–June 2025) and calendar-year community reach (January–December 2025), illustrating the organization’s breadth, depth, and lasting impact on immigrant families.



\*See footnote for definition of “family.”

# Youth Outcomes

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HOLA's literacy and academic enrichment programs produced measurable progress among elementary students:



- 80% of regular attendees improved in reading
- 70% showed growth in math
- 46% maintained steady reading grades
- 42% maintained consistent performance in math



Families also reported positive changes at home:



- 90.5% reported improved academic performance
- 95% noticed a more positive attitude toward school

# Family Literacy & Home Learning

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HOLA Lakeway strengthens literacy development not only during program hours but also at home by equipping families\* with books and practical strategies to support reading routines.

In 2025:

- 23,699 books were distributed
- 2,980 children received books

Family-reported outcomes demonstrate meaningful progress:

- 75% of parents observed improvement in their child's reading skills
- 71.4% said their child was excited to receive books

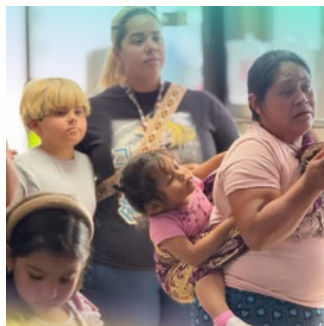
These results highlight the power of combining academic support with home literacy resources to reinforce learning and strengthen family engagement.

\* Definition of Family: HOLA Lakeway calculates the number of families using a standard formula of three individuals per family.

# Parent Empowerment & Family Engagement

Through language-accessible workshops and family learning opportunities, parents strengthened their ability to support their children's education:

- 50% reported understanding their child's report card after attending workshops
- 55.6% felt confident communicating with teachers
- Over 53% increased their confidence supporting reading at home



# Mental Health & Wellness

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HOLA's holistic mental health initiative, including weekly and monthly art therapy, contributed to improved emotional well-being:

- 80% of child participants reported feeling less stressed and more confident
- Staff observed a 45% increase in focus and engagement during other program activities
- Parents noted stronger emotional expression and social skills



Families also adopted healthier coping strategies at home, including limiting screen time, engaging in family conversations, establishing routines, participating in physical activity, and practicing stress-reduction techniques.



# Workforce Development & Economic Mobility

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HOLA supports economic stability by helping immigrant adults build pathways toward education and employment. Through HiSET preparation, job-readiness guidance, and flexible learning options, participants gain confidence, practical skills, and motivation to pursue further education and career opportunities. Families report increased confidence navigating workforce systems and setting long-term educational and career goals.



# English Language Acquisition

During the 2024–2025 program year, 246 adult learners participated in HOLA's ESL program:

- 66.7% advanced to the next English level
- 40% gained essential knowledge and skills
- 93.1% met their educational goals
- 86.2% expressed satisfaction with the curriculum and class experience



# Community Reach & Engagement

During calendar year 2025, HOLA Lakeway served as a trusted community hub:

- 523 individuals participated in educational programs
- 430 community members attended cultural events promoting inclusion and cross-cultural understanding
- 5,000 attendees joined the annual HOLA Festival, strengthening community connection and visibility
- 2,123 individuals received support through community assistance programs, including school registration, interpretation, holiday assistance, referrals, legal guidance, food emergency support, and neighborhood visits
- 200 participants engaged in HOLA-hosted events such as College Night, housing workshops, and family education sessions
- Through HOLA on the Move, literacy activities and educational resources were delivered directly into neighborhoods, reducing barriers to access and increasing community engagement



# Family Economic Stability Story

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Participation in HOLA afterschool programming can create pathways to family stability. Three siblings attending HOLA4Kids daily not only grew academically but also enabled their mother to start a small home-based baking business. The program's consistent schedule provided her the time and confidence to pursue this opportunity, reducing financial stress and improving overall family well-being. This story illustrates how support for children can empower families to achieve economic and emotional stability.



# Thank You to Our Volunteers and Supporters

At HOLA Lakeway, our volunteers are the heart of everything we do. This year, 30 dedicated volunteers have contributed their time and talents to support our programs, coming in Monday through Thursday and on Saturdays, giving approximately 2–3 hours per day.

Over the course of a typical program year, this commitment translates into an estimated 3,750 volunteer hours—hours spent tutoring children, assisting with educational activities, supporting families, and helping make our community programs run smoothly.

These hours reflect not just time, but care, dedication, and a shared commitment to the success of multicultural families in East Tennessee. Every interaction, lesson, and act of support from our volunteers is a building block toward stronger families, brighter futures, and a more connected community.

Volunteers are true partners in impact, helping HOLA Lakeway reach more children and families than we ever could alone. Their generosity and dedication truly light the way.



# Our Leadership Team

HOLA Lakeway is guided by a dedicated Board of Directors and supported by a passionate team of staff who bring expertise, care, and commitment to every program. Their leadership ensures that our programs, outreach, and community partnerships continue to strengthen families and create opportunities across the Lakeway Area.



## Staff

Betsy Hurst – Executive Director  
Sandra Moreno – Workforce & Adult Education Coordinator  
Lydia Miller – Children Program Coordinator  
Marcela Ortiz – Children Wellness & Art Instructor  
Maria Luisa Chun – Admin / Parent Engagement  
Vielka Avila – ESL Teacher & Program Administrator  
Sebastian Franco – ESL Teacher  
Antony Acosta – ESL Teacher  
Susan Schmid – ESL Teacher  
Jessica Bailiff – Post-Secondary Facilitator  
Gabriela Bañuelos – Tutor  
Willow Miksa – Tutor

## Board of Directors

Dr. KC Alvarado – Board Chair  
Willie Santana – Vice Chair  
Donna Carter-Kanipe – Secretary  
Angie Aguilera – Treasurer  
Laura Harris  
Dr. Kelly Moore  
Dr. Elsha Goodfriend  
Alejandrina Rodriguez  
Rob Burke  
Zacary Greene  
Stacy Bowers  
Cristina Adams  
Tonya Estevez  
Jennifer Soto  
Elizabeth Grisham  
Enil Acosta



# Looking Ahead: 2026

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## Weaving Together



At HOLA Lakeway, everything we accomplish is made possible by the people who believe in this work—our families, volunteers, partners, donors, and community members. Your support, trust, and commitment continue to open doors of opportunity and create spaces of belonging for so many. Because of you, children are learning, families are growing stronger, and our community is becoming more connected every day. We are deeply grateful for the role each of you plays in making this work possible.

As we look ahead, our 2026 theme is:  
**Weaving Together**

This theme reflects our commitment to bringing people, cultures, and opportunities together—strengthening the fabric of our community through connection, collaboration, and shared purpose.

Together, we will continue building a future where every family feels seen, supported, and empowered to thrive.

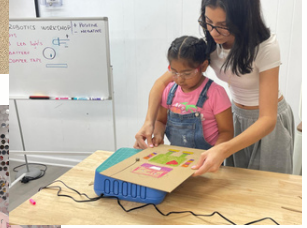


*Donate Here*



*Thank you!*

# 2025 Memories



**HOLA Lakeway  
2026 Budget  
January - December 2026**

	<b>Total</b>
<b>Revenue</b>	
Total 4000 Revenue from direct contributions	\$ 39,650.00
Total 4200 Revenue from non-governments grants	\$196,325.00
Total 4500 Revenue from government grants	\$ 61,850.00
Total 5180 Program Service Fees	\$ 38,300.00
Total 5800 Revenues from special events	\$ 22,780.00
<b>Total Revenue</b>	<b>\$358,909.70</b>
<b>Expenditures</b>	
7210 Salaries - Officers & Directors	40,080.00
Total 7220 Salary & Wages - Other	\$109,700.00
7250 Employer Taxes	13,200.00
<b>Total 7200 Salaries &amp; Related Expenses</b>	<b>\$162,980.00</b>
Total 7500 Contract Service Expenses	\$ 32,185.00
Total 8100 Non-personnel Expenses	\$ 57,600.00
Total 8200 Facility & equipment expenses	\$ 95,500.00
Total 8300 Travel & Meeting Expenses	\$ 1,670.00
Total 8500 Other Expenses	\$ 7,695.00
Total 8600 Business Expenses	\$ 842.00
<b>Total Expenditures</b>	<b>\$358,472.00</b>
<b>Net Operating Revenue</b>	<b>\$ 437.70</b>

HOLA LAKEWAY

FINANCIAL STATEMENTS

Year ended December 31, 2024

HOLA LAKEWAY

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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  
HOLA Lakeway  
Morristown, Tennessee

### **Opinion**

We have audited the accompanying financial statements of HOLA Lakeway (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, 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 HOLA Lakeway as of December 31, 2024, 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 HOLA Lakeway 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 HOLA Lakeway'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 HOLA Lakeway’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 HOLA Lakeway’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 11, 2025

HOLA LAKEWAY  
STATEMENT OF FINANCIAL POSITION  
December 31, 2024

ASSETS

Cash	\$ 223,032
Operating lease right-of-use asset	194,838
Property and equipment, net	<u>11,227</u>

TOTAL ASSETS \$ 429,097

LIABILITIES AND NET ASSETS

LIABILITIES

Accrued wages and related liabilities	\$ 2,328
Deferred revenue	131,999
Operating lease liability	<u>199,138</u>

TOTAL LIABILITIES 333,465

NET ASSETS

Net assets without donor restrictions:	
Undesignated	88,867
Net assets with donor restrictions	<u>6,765</u>

TOTAL NET ASSETS 95,632

TOTAL LIABILITIES AND NET ASSETS \$ 429,097

HOLA LAKEWAY  
STATEMENT OF ACTIVITIES  
Year ended December 31, 2024

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
REVENUE, GAINS AND OTHER SUPPORT			
Contributions of cash and other financial assets			
Donations	\$ 105,133	\$ 3,500	\$ 108,633
Grants	165,681	-	165,681
Local governments	23,000	-	23,000
Interest income	5	-	5
Contributions of nonfinancial assets	8,000	-	8,000
Special events revenue	28,922	-	28,922
Cost of direct benefit to donors	(13,304)	-	(13,304)
Net assets released from restrictions			
Expiration of time restrictions - local government	<u>7,500</u>	<u>(7,500)</u>	<u>-</u>
 TOTAL REVENUE, GAINS AND OTHER SUPPORT	 324,937	 (4,000)	 320,937
 EXPENSE			
Program services	209,357	-	209,357
Supporting services			
Management and general	50,080	-	50,080
Fundraising	<u>15,623</u>	<u>-</u>	<u>15,623</u>
 TOTAL EXPENSE	 <u>275,060</u>	 <u>-</u>	 <u>275,060</u>
 CHANGE IN NET ASSETS	 49,877	 (4,000)	 45,877
 NET ASSETS AT BEGINNING OF YEAR	 <u>38,990</u>	 <u>10,765</u>	 <u>49,755</u>
 NET ASSETS AT END OF YEAR	 <u>\$ 88,867</u>	 <u>\$ 6,765</u>	 <u>\$ 95,632</u>

HOLA LAKEWAY  
STATEMENT OF FUNCTIONAL EXPENSES  
Year ended December 31, 2024

	Program Services	Supporting Services		Direct Fundraising Costs	Total
	Community Services	Management and General	Fundraising		
Wages	\$ 88,280	\$ 10,844	\$ 8,203	\$ -	\$ 107,327
Payroll taxes	8,184	1,005	761	-	9,950
Total wages and related expenses	96,464	11,849	8,964	-	117,277
Rent	41,160	11,760	5,880	-	58,800
Taxes and licenses	135	39	19	-	193
Insurance	2,674	669	-	-	3,343
Maintenance and repairs	6,642	4,428	-	-	11,070
Memberships	-	360	-	-	360
Travel and meetings	1,097	470	-	-	1,567
Contract labor	6,265	330	-	-	6,595
Technology support	699	699	-	-	1,398
Client assistance programs	2,493	-	-	-	2,493
Advertising	542	155	77	-	774
Professional fees	-	12,800	-	-	12,800
Office supplies	45,259	5,029	-	-	50,288
Utilities expense	4,781	1,365	683	-	6,829
Depreciation expense	1,146	127	-	-	1,273
Cost of direct benefit to donors	-	-	-	13,304	13,304
TOTAL EXPENSE	209,357	50,080	15,623	13,304	288,364
Less expenses included with revenue on the statement of activities	-	-	-	(13,304)	(13,304)
Total expenses included in the expense section of the statement of activities	<u>\$ 209,357</u>	<u>\$ 50,080</u>	<u>\$ 15,623</u>	<u>\$ -</u>	<u>\$ 275,060</u>

See accompanying notes to financial statements.

HOLA LAKEWAY  
STATEMENT OF CASH FLOWS  
Year ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 45,877
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	1,273
Noncash donation of property and equipment	(8,000)
Changes in operating assets:	
Unconditional promises to give	7,500
Operating lease right-of-use asset	49,195
Changes in operating liabilities:	
Accounts payable	(175)
Accrued taxes payable	(1,734)
Accrued wages payable	902
Deferred revenue	71,086
Operating lease liability	<u>(49,396)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	116,528
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	<u>(4,500)</u>
NET INCREASE IN CASH AND RESTRICTED CASH	112,028
CASH AND RESTRICTED CASH AT BEGINNING OF YEAR	<u>111,004</u>
CASH AND RESTRICTED CASH AT END OF YEAR	<u>\$ 223,032</u>
<u>SUPPLEMENTAL DISCLOSURES:</u>	
Noncash investing and financing activities: Noncash donation of property and equipment	<u>\$ 8,000</u>

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

HOLA Lakeway was organized as a non-profit corporation under the laws of the State of Tennessee in February of 2019. The Organization provides support and educational programs to the immigrant population of the Lakeway region.

Basis of Accounting

The financial statements of HOLA Lakeway 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.

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 portfolio 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 and translation services at a point in time upon transfer of the good or service.

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.

HOLA LAKEWAY  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2024

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 the 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 concentration of credit risk consists principally of promises to give. Such risk is independent on factors affecting the economy in which contributors live and work. Collateral is not required on these promises to give.

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 the donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets. The Organization's capitalization policy is \$1,000 per item.

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.

HOLA LAKEWAY  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2024

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 to be cash equivalents. The Organization had no cash equivalents at December 31, 2024.

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 G - Contributed Nonfinancial Assets for estimated fair values of donations made during the year ended December 31, 2024.

During the year ended December 31, 2024, 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.

Advertising

The Organization expenses the cost of advertising as it is incurred. Advertising expense for the year totaled \$774.

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. The Organization has elected to use a risk-free rate as the discount rate 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.

Subsequent Events

The Organization evaluated subsequent events through November 11, 2025, the date the financial statements were available to be issued.

NOTE B - LIQUIDITY

HOLA Lakeway has \$223,032 of financial assets available within one year of the Statement of Financial Position date to meet cash needs for general expenditures consisting of cash. None of the 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.

NOTE C - FUNDING

HOLA Lakeway receives a substantial amount of support from various grantors, 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.

HOLA LAKEWAY  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2024

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2024, consist of the following:

Furniture	\$ 4,500
Vehicle	8,000
Less accumulated depreciation	<u>(1,273)</u>
Net property and equipment	<u>\$ 11,227</u>

Depreciation expense for the year ended December 31, 2024, was \$1,273.

NOTE E - DEFERRED REVENUE

Deferred revenue of \$131,999 relate to unearned grant contributions as of December 31, 2024.

NOTE F - NET ASSETS WITH DONOR RESTRICTIONS

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

Subject to purpose restrictions:	
Jefferson County family assistance program	<u>\$ 6,765</u>

NOTE G - CONTRIBUTED NONFINANCIAL ASSETS

For the year ended December 31, 2024, contributed nonfinancial assets recognized within the Statement of Activities include:

Capitalized vehicle	<u>\$ 8,000</u>
---------------------	-----------------

The Organization recognized contributed nonfinancial revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. The Organization received contributed nonfinancial assets of a vehicle. Unless otherwise noted, contributed nonfinancial assets do not have donor-imposed restrictions.

NOTE H - REVENUE FROM CONTRACTS WITH CUSTOMERS

Disclosure of Disaggregated Revenue

For the year ended December 31, 2024, revenues recognized from goods or services transferred to customers at a point in time were \$17,144.

For the year ended December 31, 2024, there were no revenues recognized from goods or services transferred to customers over time.

HOLA LAKEWAY  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2024

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 client agreements.

Disclosure of Contract Assets, Contract Liabilities, and Contract Receivables

The Organization had no contract assets, contract liabilities, or contract receivables from contracts with customers at December 31, 2024 and 2023.

NOTE I - OPERATING LEASE

On August 1, 2023, the Organization entered into a five-year lease agreement for office space. The Organization pays rent of \$4,000 for the first six months, and then \$5,000 for the remaining fifty-four months on the first day of each month during the lease term. The Organization is responsible for routine maintenance, daily custodial care, and other standard business expenses required of the office space. The Organization has the option to extend the lease term for five additional years. The Organization is not reasonably certain the option to extend will be exercised and has not recognized the option as part of the right-of-use asset and lease liability.

The following table reconciles the future minimum undiscounted lease payments to the lease liabilities reported within the statement of financial position as of December 31, 2024:

For the years ending December 31,		
2025	\$	60,000
2026		60,000
2027		60,000
2028		<u>35,000</u>
Total lease payments		215,000
Less discount/interest		<u>(15,862)</u>
Present value of lease liabilities	\$	<u>199,138</u>
Other Information		
Weighted-average remaining lease term – operating lease		3.58 years
Weighted-average discount rate – operating lease		4.24%

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

DEPARTMENT OF THE TREASURY

Date: **MAR 27 2019**

HOLA LAKEWAY  
2450 SOUTH CUMBERLAND STREET  
MORRISTOWN, TN 37813-0000

Employer Identification Number:  
83-3606765  
DLN:  
26053456002589  
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 990/990-EZ/990-N Required:  
Yes  
Effective Date of Exemption:  
February 1, 2019  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No

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](http://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.

HOLA LAKEWAY

Sincerely,

*Stephen A. Martin*

Director, Exempt Organizations  
Rulings and Agreements